FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 192 *2 October 1984*

INTER-AMERICAN AFFAIRS

Sepulveda Addresses Foreign Ministers Meeting [NOTIMEX] A 1
Nicaragua's D'Escoto on Contadora Position A 1
[San Jose Radio Reloj]
Socialist International Meeting Opens in Rio A 3
Uruguay's Seregni Discusses Restoration of Democracy A 3
[Montevideo Radio Carve]
Anti-U.S. Statement Demanded at Rio Meeting A 4
[Managua Radio Sandino]
Nicaragua's Arce Meets With CDN Leader in Rio A 5
[Managua Radio Sandino]
El Salvador's Ungo Scores Duarte, U.S. Policy [EFE] A 5
Retired Officers Discuss Reciprocal Defense Treaty A 5
[NOTICIAS ARGENTINAS]

ARGENTINA

Polish Foreign Minister Arrives for 5-Day Visit B 1
Caputo Notes 'Important Progress' in Beagle Talks B 1
Memo of Understanding With IMF Highlighted B 1
[LA NACION 27 Sep]
Grinspun: Agreement 'Not Recessive' B 2
[BUENOS AIRES HERALD 1 Oct]
Business Leaders React [BUENOS AIRES HERALD 28 Sep] B 3
Justicialists Slam Accord [BUENOS AIRES HERALD 30 Sep] B 3
Alfonsin Prefers Sentencing by Military Court B 4
Judge's Search Uncovers Antisubversive Documents B 4
Budget, Eight Bills Approved by Senate B 4
[BUENOS AIRES HERALD 1 Oct]
Press, Radio Workers End 24-Hour Strike B 5
Newspaper Owners Support Closed Paraguayan Paper B 5
[BUENOS AIRES HERALD 28 Sep]
Rights Activists Meet, Paraguayan Exiles Rally B 5
[BUENOS AIRES HERALD 30 Sep]

BOLIVIA

U.S. Oil Company Contracts To Be Renegotiated C 1
Fernandez To Meet With Chile's Del Valle C 1
COB Meets With Siles To Voice Concerns C 1
Siles Invites COB To 'Co-Govern' Country C 2
Invitation Denied C 3
Locomotives, Trolleys Purchased From Romania C 3
Briefs: Air Force Purchases Planes; C 3
61 Students to USSR

BRAZIL

Figueiredo Discusses Support for Maluf D 1
[LATIN AMERICA DAILY POST 28 Sep]
Maluf Dissatisfied With Current Popularity D 1
[LATIN AMERICA DAILY POST 30 Sep-1 Oct]
Maluf Receives Support From Adreazza Followers D 2
PCB, PCdoB Disagree on Red Banners at Rallies D 3
[FOLHA DE SAO PAULO 30 Sep]
Saudi Arabia Seeks Arms, Technology Transfer D 4
[O ESTADO DE SAO PAULO 20 Sep]
Arms Purchase Rapprochement With Libya Studied D 4
[VEJA 19 Sep]
Br fs: Multination Trading Organization D 4

CHILE

Mediator Denies Beagle Talks Near Conclusion E 1
2 Oct Protests Called; 'Confrontations' Feared E 1
Three Deaths Reported in 28 Sep Clash E 2
2 Sentenced To Die for Assassinating General E 2
State Enterprises Need Approval for Price Hikes E 2

COLOMBIA

Betancur Meets With Nicaragua's Bayardo Arce F 1
[BARRICADA 28 Sep]
Minister Says No Change in Government Policy F 1
Further Report F 2
FARC Group Demands M-19 Leave Corinto Area F 3
[EL TIEMPO 24 Sep]

PERU

Bolivia's Lechin Arrives To Discuss Debt J 1
Interior Minister Reports Attack on U.S. Embassy J 1
Tupac Amaru Group Attacks UPI Lima Office J 1
Four Intruders Enter AP Office in Lima J 2

URUGUAY

New Labor, Social Welfare Minister Named K 1
Gallup Says Colorados Ahead in Presidential Race K 1
Sanguinetti Not To Attend Socialist Meeting K 1
Official Requests Dismissal of Ferreira Charges K 2
Communist Youth Leader Released After 8 Years K 2
UN Consultant To Dedicate PRESSUR News Agency K 2
U.S. Naval Ships To Be Permitted To Dock K 2

MEXICO

President Discusses Debt, Area Situation M 1
[Paris LE FIGARO 21 Sep]
De la Madrid Receives Nicaragua's Ortega M 3
De la Madrid Meets Yugoslavia's Medenica M 3
Silva Herzog Meets With PRC Finance Minister M 3
PRC Ambassador Discusses Trade, Contadora M 4
Bulgarian Deputy Foreign Minister Arrives M 4

PANAMA

President Ilueca Speaks at Reversion Ceremony N 1
Communique Issued on Reversion of Fort Gulick N 4
[LA ESTRELLA DE PANAMA 1 Oct]

CENTRAL AMERICA

COSTA RICA

Government Denounces Sandinist Attack on La Cruz P 1
Council Approves Protest Note to Nicaragua P 1
PVP Calls on Left To Establish Electoral Front P 2
[LA NACION 22 Sep]
New Radio Station To Operate in North P 2
[LA REPUBLICA 25 Sep]

EL SALVADOR

Duarte To Visit Tegucigalpa, Meet With Suazo P 3
Duarte Discusses Integrity of Contadora Document P 4
Tenorio Denies 15 Oct Signing of Contadora Document P 6
Coffee Producers Criticize Ambassador Pickering P 7
[EL MUNDO 28 Sep]
Coprefa Issues Communique on Activities P 8
Denies Death Squad Reports P 8
Two Terrorists Killed in Clash P 9
Chalatenango Operation P 9
Armed Forces Continue Operation in Chalatenago P 9
FMLN Claims Army Destroyed Houses, Crops P 10
Guerrillas Claim Superiority Over Army P 10
Radio Venceremos Claims Over 300 Army Casualties P 11

GUATEMALA

Army, Subversives Clash in San Marcos Department P 11

NICARAGUA

Protest Sent to Costa Rica Over Border Attack P 12
D'Escoto Questioned on U.S. Position, Policy [Warsaw PAP] P 12
Sergio Ramirez Comments on Defense, Elections P 14
PSC Says Press Omitted Part of Contadora Document [ACAN] P 15

CUBA

Burkina Faso's Sankara, Delegation Depart Q 1
Zambian Foreign Minister Arrives on Visit Q 1
Joint Scientific Commission With Mexico Meets Q 1
Garcia Receives SRV Transportation Delegation Q 1
Carlos Rafael Rodriguez, GDR Ambassador To Speak Q 1
Pedro Leal, Delegation Visit Czechoslovakia Q 2
[Prague Domestic Service]
Cabrizas Visits Yugoslavia, Discusses Trade [TANJUG] Q 2
Costa Rican Deputy Interviewed on VOA Presence Q 2
'Our America' Notes Transfer of School of Americas Q 4

Commentary Criticizes U.S. Position on Contadora Q 5
Granma-84 Military Exercise Called Successful Q 6
Defense Zone Demonstration Held in Habana Vieja Q 6

CARIBBEAN

Rainford Urges Bilateral Cooperation To Aid CMCF S 1

JAMAICA

Prime Minister Seaga Reveals Assassination Plot S 1
JLP's Bruce Golding Elected Party Chairman S 1

GUYANA

Opposition Unions Win TUC Leadership Posts T 1
Union Leader Discusses Grenada, IMF Measures T 2

SEPULVEDA ADDRESSES FOREIGN MINISTERS MEETING

FL290134 Mexico City NOTIMEX in Spanish 2206 GMT 28 Sep 84

[Text] San Jose, 29 Sep (NOTIMEX) -- Mexican Secretary of Foreign Relations Bernardo Sepulveda today said it is imperative to prohibit the presence of outside military force in the area, banish recourse to armed force, and eliminate foreign interference in the internal affairs of nations.

Speaking in the name of the Contadora Group ministers during the inauguration of the meeting of foreign ministers from Europe and Central America, Sepulveda said that the solution to the social and economic scaractities and contradictions presupposes the establishment of a framework of regional security and respect and confidence between the states. He said that the Contadora Peace and Cooperation Document, which now has the support of the five central American nations, represents a plan for agreement and reconciliation of different interests. Its adoption would constitute a transcendent step in the search for a just and lasting peace.

The Mexican secretary of foreign relations said that the use of force is a false and costly choice for Central America, adding that political and military violence are anguishing and undesirable phenomena for the peoples of the area. He said that today in Central America can be seen the resulting instability and serious deterioration of productive sectors that must be urgent to stop, see, because the continuous destruction of resources that are indispensable for Central American production and well-being is nonsensical.

The Mexican foreign secretary called upon the international community to provide political and economic support in order to achieve regional stability. In the name of the foreign ministers of Colombia, Mexico, Panama, and Venezuela, he proposed to the foreign ministers of Europe and Central Amreica attending the meeting adopt measures to strengthen the economic integration organizations of Central America, the reactivation of interzonal trade and the ability of countries in the region to export to other areas, and the establishment of a Central American common market fund to encourage regional trade, the fund to come from contributions made by Europe, Japan, the United States, and others.

He warned that it will be necessary for the San Jose meeting to make progress in defining the objectives and instruments of cooperation between Central America and Europe and in adopting concrete cooperative agreements.

NICARAGUA'S D'ESCOTO ON CONTADORA POSITION

PA292114 San Jose Radio Reloj in Spanish 1844 GMT 29 Sep 84

Nicaraguan Foreign Minister Miguel D'Escoto Brockman press conference with unidentified reporters, at the Cariari Hotel in San Jose -- live]

[Excerpts] [Question] Honduran Foreign Secretary Edgardo Paz Barnica said, upon his arrival in Costa Rica, that there is a certain incongruence in the Nicaraguan position regarding the Contadora Document. He said that Mr Ortega has issued a statement saying that you are willing to sign the document, while high-ranking military officials in Nicaragua have asserted that their country will continue to increase its armament [words indistinct] get some MIG aircraft. Can you comment on this, Mr Foreign Minister?

[D'Escoto] I believe that you are all aware of the role assigned by the United States to Honduras in the Central American region. I believe that your are also aware of the fact that Honduras is somewhat confused about the way in which it should carry out the role assigned by Washington.

However, Washington is also confused. Days ago I was told that the U.S. Department of State contacted the ambassador from a European country, which is attending this meeting, and told him that the time for the Contadora Group to present its final proposal was drawing near, adding that the United States did not have the slightest doubt that Nicaragua, being a dogmatic, inflexible, hot-headed, and revolutionary country, would not accept any proposal.

In addition, the United States has been participating in bilateral talks with Nicaragua for some months now. You know that the talks have been held in Manzanillo, Mexico, with the exception of one meeting, which was held in Atlanta. The United States has publicly been manipulating this, and said that it is not participating [words indistinct] to achieve a bilateral understanding with Nicaragua; adding that it is participating in these bilateral talks so that Nicaragua may modify its attitude regarding a negotiated solution, as if we had opposed it, and so that Nicaragua would accept the Contadora Group proposal whenever it was presented. In fact, the proposal has been presented and Nicaragua has already accepted it; therefore, the United States and the intervening countries, for example, Honduras, are somewhat confused and do not know what to say. Hence, we will say: Well, Nicaragua is not a good-willed country, it is not sincere... [D'Escoto chuckles] The Contadora Group's proposal is quite clear and specific, we have not only said this publicly, we have also complied with Contadora's request.

[Question] Mr Miguel D'Escoto, Nicaraguan foreign minister, a letter was received from U.S. Secretary of State George Shultz to the effect that Nicaragua [passage indistinct].

[Station commentator breaks in to say that the reporter is asking about George Shultz' letter which was received yesterday and that he wishes to know his opinion]

[D'Escoto] I learned of this letter only yesterday. However, today I received a copy of the letter. I received it but did not know exactly where it came from and did not wish to comment on the letter before I was sure that the document was authentic. I, therefore, consulted with some of the European ministers present at the meeting and they have confirmed that they did receive copies of this letter. In a speech we just made we presented this to the ministers as further proof of U.S. intervention in the area. We have always said that this is the main cause of the problems in Central America and unless this intervention stops, independent of the fact that by the grace of God we immediately sign the document, if the U.S. does not stop its aggressive policy then the real danger of a general conflagration in the region will prevail.

One of the foreign ministers, from a country which is quite close to the United States, told me that they had come here to seek ways to cooperate with Central America, and they would never accept intimidation, much less an order, to isolate any one country. They said that they wish to cooperate and achieve detente and increase the [word indistinct] cooperation in the region.

[Flores] Foreign Minister D'Escoto, (Juan Carlos Flores) of Radio Monumental. When the Central American foreign ministries [words indistinct] the Contadora peace document, would you say that differences exist? Second, do you share Costa Rica's reservations regarding the verification mechanisms of the new dodument for peace and cooperation drafted by the Contadora Group?

[D'Escoto] Regarding your first question I am not aware that the Central American foreign ministeries have said this. Regarding the indispensable mechanisms for the control and verification of the commitments included in the document, I share the position expressed, I believe it was the Mexican foreign secretary yesterday afternoon, who said that he really did not know what they were talking about because the document suggests mechanisms for verification and control that the Contadora Group and the world consider to be exemplary and completely adequate. Any measure to question this or that point of the document is not something that at this moment can help to achieve peace or detente in the region and which could be interpreted as a delay tactic to

support interests that are not exactly in the interests of the Central American peoples, but in the interests of the United States.

[Question indistinct]

[D'Escoto] We believe that we must allow not only the Ramiro Sacasa Guerrero Democratic Coordinating Board [CDN] to participate but also all the political parties in Nicaragua. At no moment have we denied them their right to participate. You have referred specifically to Mr Cruz' aspirations. Arturo Cruz is not a national figure, no one is interested in him except for the few spokesmen the United States has in Nicaragua; but the people themselves are not interested. Our people know that they can express their wishes, and they have done so, despite the risks. They did this during Somoza's days.

They are proposing that the elections, something they have asked for so often, be postponed until late February. They know it is impossible to hold an election in February in Nicaragua because we would be in the midst of the harvest season. A large number of the citizens leave their homes to pick coffee and cotton at different farms. Elections in December would present a problem and I am not mentioning the problem we face by holding elections amid a war. Many of the countries in the world would not do this but we are doing it. Therefore, I believe that it has been proven that the United States and Mr Cruz are not truly interested in the elections being held. We are facing problems with the elections but they will be held whether outside interests are involved or not. We do not need Mr Cruz to legitimize the electoral process because in the long run, and this must be accepted by those who say they believe in democracy because democracy is to respect the sovereign rights of the peoples, it will be the people with their vote who will legitimize the process, and the people are the only ones that can legitimize the Nicaragua electoral process.

SOCIALIST INTERNATIONAL MEETING OPENS IN RIO

PY012055 Paris AFP in Spanish 1846 GMT 1 Oct 84

[Text] Rio de Janeiro, 1 Oct (AFP) -- The Socialist International [SI] today condemned in Rio de Janeiro the Uruguayan decision to forbid Alberto Zumaran, Blanco Party presidential candidate, from traveling to Brazil to participate in an SI bureau meeting. SI President and former FRG Chancellor Willy Brandt, and Portuguese Premier Mario Soares regretted in the inaugural session the Uruguayan Government's decision, which also prevented the participation of Colorado Party candidate Julio Sanguinetti, who canceled his trip to Rio de Janeiro yesterday in solidarity with Zumaran.

In remarks to the press condemning the Uruguayan Government's decision, former Venezuelan President Carlos Andres Perez stated that we are witnessing the final squirmings of a dictatorship. Lamenting the absence of the two Uruguayan politicians, the Portugese premier stated: Thank heaven General Liber Seregni has been set free and is with us, but unfortunately we cannot say the same thing about Wilson Ferreira Aldunate, who is still under detention.

URUGAY'S SEREGNI DISCUSSES RESTORATION OF DEMOCRACY

PY020137 Montevideo Radio Carve in Spanish 0000 GMT 2 Oct 84

[Excerpt] Liber Seregni has stated that the democratic restoration process in our country is irreversible. In Rio de Janeiro, where he is participating in the Socialist International meeting, Seregni stated that the people's mobilization in Uruguay is important.

He added that the next government will have to assume the country's serious problems, including the heavy foreign debt which amounts to $5 billion. In answer to a question posed by Brazilian reporters, the Broad Front leader rejected the possibility of revanchism in his country.

The Socialist International condemned today in Rio de Janeiro the Uruguayan Government's decision to forbid Blanco Party presidential candidate Alberto Zumaran to travel to Brazil to participate in the Socialist International bureau meeting.

ANTI-U.S. STATEMENT DEMANDED AT RIO MEETING

PA011958 Managua Radio Sandino Network in Spanish 1200 GMT 1 Oct 84

[Text] Latin American and Caribbean representatives to the Socialist International Coordinating Bureau meeting in Rio de Janeiro, Brazil, have demanded that the organization issue a clear-cut statement condemning U.S. aggression against Nicaragua. At a meeting held by Jose Pasos Marciaq, deputy chief of the FSLN International Relations Department, with the Latin American representatives, the entire group expressed support for Nicaragua's electoral process.

We will now relay the statements made by Pasos Marciaq, who is a member of the Nicaraguan delegation to the Socialist International Party meeting in Rio de Janeiro. The delegation is headed by Commander of the Revolution Bayardo Arce Castano, coordinator of the FSLN Political Committee.

[Begin Pasos recording] The meeting, at which virtually all Latin American and Caribbean countries were represented, thoroughly agreed that the Socialist International must issue a clear-cut statement condemning U.S. aggression against Nicaragua, must issue a clear-cut statement of support for Nicaragua's current electoral process, and must ask the international community for economic support so that this hope for Latin America, the Nicaraguan revolution, can go forward. [end recording]

Regarding Arturo Cruz' presence in Brazil, Pasos said that the Latin American delegations have said that they totally repudiate it because Cruz does not even meet the requirements to be an observer at the meeting of the Socialist International Coordinating Bureau that opens today in Brazil.

[Begin Pasos recording] Arturo Cruz cames to Rio de Janeiro on his own initiative. No Latin American agrees with his participation in any of the meetings in any way. Some of the representatives at the meeting of the Latin American [delegates] even said they would walk out of the Socialist International meeting if Cruz attends. It is worth explaining that in order to be invited by the Socialist International a request must have been previously filed with the Socialist International Bureau. The bureau then discusses the possiblity and makes a decision. Cruz has not met any of these requirements. He has not filed a formal request to attend the meeting. We think that his presence here in Rio de Janeiro is one more diversionary maneuver like those he has already carried out in Nicaragua and abroad. Each time, particularly after he sent a letter to President Betancur in which he outlined the conditions he considered minimal to participate in the electoral process... [changes remarks] It is increasingly clear that what Cruz and his group, which is called the Democratic Coordinating Board, want is to boycott [the elections], discredit the revolutionary government, and use any pretext whatsoever to continue playing the game of the North American administration. It is abundantly clear from this letter that at no time did Cruz plan to participate in the democratic elections we are going to hold on 4 November. [end recording]

NICARAGUA'S ARCE MEETS WITH CDN LEADERS IN RIO

PA011508 Managua Radio Sandino Network in Spanish 1200 GMT 1 Oct 84

[Text] Commander of the Revolution Bayardo Arce Castano, coordinator of the FSLN National Directorate's Political Committee, met for 3 and 1/2 hours last night with Arturo Cruz, Adan Fletes, and Luis Rivas Leiva, of the Nicaraguan Democratic Coordinating Board [CDN], who are in Rio de Janeiro on a private visit. The meeting between Arce and the CDN members resulted from the talks held yesterday between Arce and former Venezuelan President Carlos Andres Perez, who is vice president of the Socialist International for Latin America.

The talks between the member of the FSLN National Directorate and the CDN representatives will continue today. Commander Arce declined to make statements in order not to hinder the talks. (Dieter Koniesen), adviser to Socialist International President Willy Brandt; Hans-Jurgen Wishnewski, member of the Presidium of the German Social Democratic Party [SPD]; and Hans-Eberhard Dingels, SPD foreign relations secretary, were also present at the talks.

EL SALVADOR'S UNGO SCORES DUARTE, U.S. POLICY

PY020155 Madrid EFE in Spanish 2314 GMT 1 Oct 84

[Text] Rio de Janeiro, 1 Oct (EFE) -- Salvadoran Guillermo Ungo, leader of the National Revolutionary Movement (MRN), stated here today that the peace plan of the Contadora Group will not be successful unless the civil war in El Salvador is ended. Ungo is attending the meeting of the Socialist International being held in this city.

The Salvadoran politician today harshly criticized President Napoleon Duarte who is identified with the interests of the U.S. Administration. Therefore, Ungo affirmed, the promises for dialogue that Duarte made during his electoral campaign are now reflected in an ambiguous attitude that favors a military solution to the Salvadoran civil war.

Regarding the Contadora peace accord, Ungo criticized the lack of interest of the United States, Honduras, and El Salvador, and noted that only Nicaragua had expressed its desire to accept this document for peace, development, and disarmament.

He denied that the Salvadoran insurgents are coercing the civilian population to join the guerrillas, but said that the government is resorting to coercion to enlarge its Army, which increased threefold in size over a 3-year period.

Ungo said that Duarte is losing credibility because he is not fulfilling this promises to talk with the guerrillas. He finally expressed fears of a military escalation in his country, encouraged by the United States Government, which is intent in finding a military solution to the Salvadoran civil war.

RETIRED OFFICERS DISCUSS RECIPROCAL DEFENSE TREATY

PY292300 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1720 GMT 29 Sep 84

[Text] Buenos Aires, 29 Sep (NA) -- Retired military leaders of 12 Latin American countries today coincided in criticizing the Inter-American Reciprocal Assistance Treaty (TIAR) because, since it was created in 1947, it has only served to "justify U.S. intervention" in Central American and Caribbean nations and to "indirectly support coercive measures against certain governments," among other reasons.

The former military chiefs today started discussions on "National and Latin American Defense," and they will report their conclusions when they finish the debates on Monday. One of the participants reported that the Argentine Air Force forbid its active members to make any contact with the debates.

Miguel Angel de la Flor Valle, former foreign relations minister of Peruvian President Juan Velazco Alvarado, began the discussions with a speech at the Colon Hotel today. In his exposition, titled "The Historical Process of Latin American Dependency," De la Flor Valle said that it is not possible to sustain a hemispheric security that "supports coercion, economic dependency, and isolation of our peoples, and much less a security that by trying to prevent extracontinental attacks and foreign ideological penetrations, serves as a pretext to prevent the currently necessary internal structural changes. He pointed out the need for "reevaluating and revising the TIAR, which must be analyzed from the point of view of Latin American interests and not of the United States, which has world power objectives and interests."

De la Flor Valle also criticized the Organization of American States, OAS, because with time "it has turned into an inoperative organization detached from reality." As an example, he said that the OAS "has mostly hindered the structural changes in our countries, and as an institution it is incapable of solving serious problems in the continent like, for example, the Malvinas war; the subversive problem in Central American, in El Salvador in particular; and the invasion of Grenada, among others." De la Flor Valle said that the "adoption of a coercive and defensive military system instead of the necessary system of negotiation, conciliation, and peace," can be observed in the current inter-American system. He also denounced the "lack of respect for ideological pluralism which can be interpreted as an attack on the right every country has to adopt ideologies or forms of government most suitable to its interests and needs, as according to the free determination of people."

De la Flor Valle said that the current inter-American system "considers international trade matters in a general form, and it promotes a compromised financial aid with a paternalistic view." However, the Peruvian retired military officer and diplomat said that "it is necessary to create a new system in which the United States should participate, since it is part of the continent, but it should have the moral obligation to cooperate and participate in the integral development of our countries. It is inconvenient and inappropriate to exclude the United States from the system."

The following persons are participating in the debates: Mexico, Luis Ortiz Monasterio, Contadora Group counselor; Panama, Livio Suoza and Rafael Vargas, (Panamanian ambassador to Bolivia); Paraguay, Luis Resk and Waldino Lovera; for Peru, De la Flor Valle and General Fernandez Maldonado, retired, former general prime minister; Santo Domingo, Colonel Emilio Ludovino Fernandez, retired; Uruguay, Colonel Carlos (Sufriategui), retired; [words indistinct], Illamil, and Captain Geronimo Cardozo; Argentina, General Jorge Leal, retired, and Midshipman Julio Urien, retired, among others. Marshal Francisco Da Costa Gomez, former president of Portugal; Spanish Deputy Juan Busquetoi, former commander and General Baugain Sangare, the political director of the Mali Army, were also present as observers.

POLISH FOREIGN MINISTER ARRIVES FOR 5-DAY VISIT

PY302325 Buenos Aires TELAM in Spanish 1518 GMT 30 Sep 84

[Text] Buenos Aires, 30 Sep (TELAM) -- Polish Foreign Minister Stefan Olszowski arrived at Ezeiza International Airport this morning on the same plane as Foreign Minister Dante Caputo and Economy Minister Bernardo Grinspun. Olszowski, Caputo, and Grinspun boarded a waiting Foreign Ministry vehicle and headed for downtown Buenos Aires. Minister Grinspun arrived after fulfilling an official mission in the United States. Neither Caputo nor his Polish counterpart made any statements.

Olszowski will stay in our country until 5 October. He is due to meet President Alfonsin and to discuss bilateral issues with Foreign Minister Caputo.

CAPUTO NOTES 'IMPORTANT PROGRESS' IN BEAGLE TALKS

PY011747 Buenos Aires Domestic Service in Spanish 1600 GMT 1 Oct 84

[Text] This morning Foreign Minister Dante Caputo said that important progress is being made in the talks on the southern border dispute with Chile within the framework of the papal mediation. Caputo said this after seeing off Polish Foreign Minister Stefan Olszowski at San Martin Palace.

We have in fact made important progress, but we must still arrange some details and specify some wording. I stress the term wording because it can be very important in the future, Caputo added.

Asked whether he would travel to Rome to take delivery of the final agreement, Caputo said: I do not want to reveal what will or will not be done or anticipate any dates. I will do this when the negotiations conclude.

MEMO OF UNDERSTANDING WITH IMF HIGHLIGHTED

PY281524 Buenos Aires LA NACION in Spanish 27 Sep 84 p 1

[Text] The program agreed upon with the IMF calls for a reduction of public spending, of costs, and of the deficit. It also calls for the progressive elimination of price controls and the lifting of import restrictions. The exchange rate will be taken into account in the formulation of the exportation policy and the devaluation rate will be adjusted to the estimated inflation rate. The multiple exchange rate system [combios multiples] will not be expanded and reimbursements will be restructured. The rate of nominal salary readjustments will be reduced. The memorandum of understanding with the IMF includes the following measures:

Reduction of public spending [gasto de caja] from 36 percent of the GNP to 31 percent of the GNP by late 1985;

Reduction of the fiscal deficit [deficit de caja] from 8.1 percent of the GNP to 5.4 percent of the GNP by late 1985;

Reduction of transfers of treasury funds to the provinces;

Reduction of transfers of treasury funds to public enterprises;

Attainment of financial equilibrium in the social security system in 1985;

Elimination of the price control measures imposed in September by the end of the year;

Flexibility and progressive elimination of price control measures as competition increases and as import restrictions are lifted;

Expansion of the list of products for automatic importation;

Reorientation of the economy to increase exports;

Establishment of profitable prices for export goods;

Formulation of an export policy on the basis of the exchange rate policy;

Adoption of a policy in which the multiple exchange rate [cambios multiples] system will not be expanded;

Devaluation of the local currency in line with the expected inflation rate;

Reclassification of reimbursements, whose average will not be increased;

Adoption of a passive interest rate that will tend to be neutral, while the active rate will be slightly positive [la tasa de interes pasiva del sistema regulado tendera a ser neutral, mientras que la activa sera ligeramente positiva];

Automatic availability, in the future, of foreign currency for payments and transfers made "in good faith" by the private sector;

Reduction of the balance of payments deficit to $1.8 billion in 1985;

Reduction of the rate of nominal salary readjustments;

Readjustment of public utility rates; and

Supervision of the program for the first quarter of 1985 and for mid-1985.

It should be pointed out that the improvement of the fiscal economic situation will be attained through tax reforms, the reestablishment of employers' contributions to the social security system, and the readjustment of public utility rates.

Grinspun: Agreement 'Not Recessive'

PY011757 Buenos Aires BUENOS AIRES HERALD in English 1 Oct 84 p 1

[Excerpts] (NA-DYN) -- Economy Minister Bernardo Grinspun yesterday told the press and several hundred cheering supporters that recent agreements with the International Monetary Fund (IMF) and Argentina's private creditor banks would make it unnecessary to hold major rescheduling negotiations until the end of 1985 and would serve to speed up domestic socio-economic contract (concertacion) talks.

Speaking at Ezeiza Airport on his return from the United States, Grinspun told his predominantly working-class fans that "wages will not be the variable of economic adjustment" and confirmed the government's original goal of a six to eight percent increase in real wages for this year. They responded with: Dale ruso, ruso corazon.

A cabinet meeting forecast by some did not take place yesterday, as President Raul Alfonsin remained in Chascomus, his home town, taking a rest, but the Central Bank released a preview of October economic meausres by announcing increased interest rates of 17 and 19 percent, up from 15.5 and 17 percent.

Trade Secretary Ricardo Campero admitted that September's inflation figure could total 26 percent because of a 67 percent increase in meat prices. Speaking to reporters at the airport while awaiting the return of Grinspun, Campero described September "as the most difficult so far" for the present government.

Business Leaders React

PY281619 Buenos Aires BUENOS AIRES HERALD in English 29 Sep 84 p 11

[Text] (NA-DYN) -- Business leaders yesterday termed the agreement between the government and the International Monetary Fund (IMF) "recessive, tough, and rigid," but admitted that it was the only possible alternative.

Members of the Intransigent and Christian Democrat Parties sharply criticized the agreement for the social impact it might have on the country.

Argentine Industrial Union (UIA) President Roberto Favelevic said the UIA "was always in favour of an agreement with the IMF but as part of a programme which the government should have first laid out." That programme "should have forced the least productive sectors to carry the burden," he added. "That is to say (the burden) should fall neither on the industrial sector nor on workers."

Juan Carlos Lightowler, head of the Coordinating Board of Trade Activities, said of the agreement: "I believe the memorandum is within the traditional IMF prescriptions aimed at reducing consumption by reducing wages with the effect of increasing the current account trade surplus."

"What happens is that those adjustments have been going on in Argentina over the past years and I believe that the working class cannot continue absorbing real wage declines," he added.

Deputy Alvaro Alsogaray (Union of the Democratic Centre-Capital) pointed out that the final agreement with the IMF is yet to be signed, and warned that although it is necessary, it will bring along a "high political cost" for the government. "There will be a strong recession, a growth in unemployment, and a drop in real wages," he said.

Peronist economist Roberto Lavagna was more optimistic. "Personally, I think we're in luck that something finally has been agreed on," he said. "It's obvious that we're faced with an adjustment. Now we must work out which sectors are going to have to carry the weight of this adjustment."

National Deputy Augusto Conte (Christian Democrat-Capital) said the agreement "means a series of serious consequences against the national interest." Conte said he reacted to the news by submitting a bill to limit to 10 percent the amount of exports which could go to servicing the foreign debt. The bill would "prepare our nation for a confrontation with international banking," he added.

Deputy Miguel Monserrat (Intrasigent-Buenos Aires) warned the agreement deliberately blurs basic concepts because, though technically the "foreign debt is being renegotiated," in reality "what is being determined is Argentina's internal economic policy."

Justicialists Slam Accord

PY302100 Buenos Aires BUENOS AIRES HERALD in English 30 Sep 84 p 1

[Text] (NA-DYN) -- The Justicialist Party bloc in the Lower House issued a statement last night criticizing last week's agreement between the government and the International Monetary Fund. The agreement, the 111 deputies said, is a "death certificate for the Argentine people's aspirations of social justice."

In the Senate, meanwhile, the designation of 60 judges and 15 diplomats was approved. Senators held a special Saturday session to consider the designations as well as the 1984 budget bill, which at press time was still being debated on the floor.

Radical and Justicialist deputies early Saturday morning passed a bill to restore collective wage bargaining contracts within 365 days. The bill now goes to the Senate for approval.

ALFONSIN PREFERS SENTENCING BY MILITARY COURT

PY011915 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1949 GMT 30 Sep 84

[Excerpt] Buenos Aires, 30 Sep (NA) -- A reliable Government House source told NA today that the executive branch prefers that the case files against the nine commanders in chief of the former military governments, and against General Ramon Camps, which are at the Federal Court of Appeals, be returned to the Supreme Council of the Armed Forces. The executive branch would also grant the military tribunal a new term to pass a sentence on these cases.

The same source also reported that President Alfonsin insisted on letting "the Armed Forces themselves be the ones to punish those who were primarily responsible for the repressive excesses." The government conscientiously respects the independence of the judicial branch, so the final decision of the federal court will be strictly obeyed.

The source added that the president, as the commander in chief of the Armed Forces, at the moment is not considering any changes in the Supreme Council of the Armed Forces because such an action would lead to "traumatic" and "hasty" conclusions among the military. However, the source said that one of the possibilities for tackling this delicate matter would be to expand the infrastructure of the military court, since, given its current condition, it is impossible to finish the trials on time.

According to the sources, the government's aim is to strengthen the military prestige by letting the military court itself judge and pass sentence on those responsible for violating human rights during the repression of subversion. "This is a responsibility the military have for themselves and for history, and which cannot be avoided in any way," the source said.

JUDGE'S SEARCH UNCOVERS ANTISUBVERSIVE DOCUMENTS

PY012355 Buenos Aires TELAM in Spanish 2048 GMT 29 Sep 84

[Text] Rosario, 29 Sep (TELMA) -- Various documents, photographic material, and a letter signed by former military junta member Admiral Emilio Eduardo Massera, retired, were found in a search operation staged by the trial judge of the ninth court of Rosario, Francisco Martinez Fermoselle, who is investigating groups which carried out antisubversive repression. Judge Fermoselle, accompanied by court personnel, conducted a careful search of an apartment on the sixth floor of a building located at 1759 San Lorenzo Street in Rosario where the above-mentioned documents were found.

BUDGET, EIGHT BILLS APPROVED BY SENATE

PY011801 Buenos Aires BUENOS AIRES HERALD in English 1 Oct 84 p 1

[Excerpt] The Senate approved the 1984 budget, already passed by the Chamber of Deputies, at 4:15 am yesterday after a nine-hour session, and reconvened again last night for the last of this year's ordinary sessions.

The budget, passed without amendments by the Radicals and the provincial parties, against the opposition of the Justicialist relative majority, establishes a budget deficit equivalent to 9.98 percent of the gross domestic product (GDP) and an increase of tax revenue to 21.9 percent of the GDP. It also grants a total of $a122,818 million [pesos] to the provinces. Most of the funds are allocated to economic development, social welfare, general administration, culture and education, and defence, in that order.

In a 40-minute session the Senate gave final approval to eight bills, one of which orders the rehiring of state employees fired as from March 24, 1976, and another which repeals legislation confirming in their posts university professors who were appointed during the former military regime, and passed another 28 bills which it immediately turned over to the lower house. Other bills given final approval including decorating Malvinas war veterans and limiting the powers of municipal authorities to regulate the sale of publications or material they may regard as obscene. A bill by Radical Roberto Sammartino, proposing the reinstatement of union leaders expelled from their organizations for political reasons as from 1976, floundered when the Radical bloc refused to give in to Peronist Ruben Cardozo's barter suggestion that factory delegates elected between 1983 and 1984 be formally recognized as such.

PRESS, RADIO WORKERS END 24-HOUR STRIKE

PY281325 Buenos Aires TELAM in Spanish 1009 GMT 28 Sep 84

[Text] Buenos Aires, 28 Sep (TELAM) -- The 24-hour strike that journalists, announcers, operators, and administrative employees of radio stations staged throughout the country for salary demands ended at 0700. Almost the entire sector joined the strike in Buenos Aires, where only Radio Municipal and Radio Nacional workers did not observe it. Spokesmen for the Argentine Announcers Union and the Buenos Aires Press Workers Union have reported that 75 percent of rural radio station employees joined the strike.

NEWSPAPER OWNERS SUPPORT CLOSED PARAGUAYAN PAPER

PY281625 Buenos Aires BUENOS AIRES HERALD in English 28 Sep 84 p 11

[Text] Posadas (NA) -- The Association of Argentine Newspaper Owners (ADEPA) expressed its support for the Paraguayan daily ABC COLOR -- shut down by that country's government -- and invited its editor, Aldo Zucolillo, to attend ADEPA's 22nd annual conference which started here yesterday. ADEPA members also began studying a document criticizing the "limiting (economic) policies"imposed on the sectory by President Raul Alfonsin's administration. The conference is to continue through tomorrow.

RIGHTS ACTIVISTS MEET, PARAGUAYAN EXILES RALLY

PY011220 Buenos Aires BUENOS AIRES HERALD in English 30 Sep 84 p 17

[Text] (NA-DYN) -- Speaking here at a meeting of human rights activists from around the world, Foreign Ministry human Rights Director Horacio Ravenna said "Latin America is suffering fromthe scourge of state terrorism, which is ideologically founded on the doctrine of national security." Those present at the meeting called to discuss the human rights situation in Paraguay and Uruguay included Paraguayan novelist Augusto Roa Bastos and Argentine Nobel Peace Prize winner Adolfo Perez Esquivel, Meanwhile yesterday, some 1,500 persons attended the first day of talks on "The Effects of Repression: The Psychic Dimension", sponsored by the Permanent Assembly for Human Rights (APDH). Finally, exiled Paraguayan workers yesterday demonstrated against the military regime of General Alfredo Stroessner in Formosa, 120 kilometres from the Paraguayan capital.

U.S. OIL COMPANY CONTRACTS TO BE RENEGOTIATED

PY011331 La Paz Radio Illimani Network in Spanish 1100 GMT 1 Oct 84

[Excerpt] The government has decided to renegotiate the operation contracts with the foreign petroleum companies Tesoro and Occidental in order that the contracts include a number of conditions favoring the interests of the nation. This decision was made by the government a few days ago when a resolution was approved saying that various representative sectors object to the contracts.

The document approved by the government adds that the terms under which the contracts were signed are not in accordance with the current social and economic situation of the country and that they must necessarily be revised and updated as a way to defend our natural wealth.

FERNANDEZ TO MEET WITH CHILE'S DEL VALLE

PY011308 La Paz Cadena Panamericana in Spanish 1130 GMT 1 Oct 84

[Excerpts] Bolivian Foreign Minister Gustavo Fernandez will meet his Chilean counterpart, Jaime del Valle, and with the Colombian foreign minister as a friendly mediator in order to discuss the proposals which will be submitted at the upcoming OAS assembly on the subject of the landlocked Bolivian situation. The meeting of the three foreign ministers will take place this week, taking advantage of their presence at the UN General Assembly in New York.

The talks will be held according to the mandate of the OAS which, during its last General Assembly, held in Washington last November, approved a resolution that the two countries should start talks aimed at solving the conflict.

While these preliminary steps for the OAS General Assembly are being taken, the Bolivian Foreign Ministry has already defend its position regarding the maritime problem. Chile, in view of the above-mentioned OAS mandate, has proposed that Bolivia resume diplomatic relations with Santiago as a preliminary step, and that the remaining problems between the two countries would then be discussed.

Contrary to this, the Bolivian Foreign Ministry maintains that the possible resumption of relations will not be discussed until the basic problem has been dealt with, namely the landlocked situation, and that relations will not be resumed until a road has been found which leads with certainty toward the solution of the maritime problem with Chile. The position which has been defined by the Bolivian Foreign Ministry has been worked out in cooperation with the Consultative Council of the ministry, composed of former foreign ministers who have been consulted by the Senate and Chamber of Deputies in closed sessions, as well as by the Armed Forces.

Diplomatic sources who have been consulted believe that the preliminary talks between the Bolivian and Chilean foreign ministers provide hope that a formula for a viable agreement may be submitted to the OAS Assembly, although that formula may not lead to an immediate result. It may, however, point toward a solution that is positive for Bolivia.

COB MEETS WITH SILES TO VOICE CONCERNS

PY290200 La Paz Cedena Panamericana in Spanish 0000 GMT 29 Sep 84

[Excerpt] After holding a meeting with President Siles Zuazo, the Executive Committee of the Bolivian Labor Federation [COB] today released a communique addressed to its members and the Bolivian people to point out that the COB is concerned about the critical situation affecting the country.

Noel Vazquez, permanent COB secretary, read the document that was signed by the COB leadership.

[Begin Vazquez recording] The COB addresses the workers:

1. The COB Executive Committee realizes the serious risks jeopardizing the democratic process, risks that were discussed during the COB Sixth Congress, which are becoming more obvious. The rightist groups, through their political, business, and military representatives, due to the government's irresponsibility, have engaged in destabilizing the democracy which was won by the people and the workers; the financial oligarchy has declared itself in rebellion; the rightist parties from Congress are masterminding a congressional coup; and the leftist subversives are also working on a coup.

2. It is not only the action of the right, however, that jeopardizes the democratic process. The chaotic situation of the economy and the sufferings created by the serious crisis of low income levels have not been stopped by the government. On the contrary, the situation has deteriorated since 10 October 1983 and gotten much worse since 12 April 1984. With great irresponsibility the government has accepted the IMF proposals. To face the crisis, the government is again getting ready to implement a new antinational and antipopular economic package, a package worse than the previous ones. This is how the economic process is about to get a new hard blow that will effectively contribute to coup plans. [end recording]

The COB document also refers to the resolutions approved during the COB Sixth Congress recently held in Cochabamba.

SILES INVITES COB TO 'CO-GOVERN' COUNTRY

PY011715 Madrid EFE in Spanish 1551 GMT 1 Oct 84

[Text] La Paz, 1 Oct (EFE) -- According to reports published today in La Paz newspapers, Bolivian President Hernan Siles Zuazo has invited the Bolivian Labor Federation (COB) to co-govern the country as of 10 October 1984.

The newspaper EL DIARIO, dean of the national press, stressed today that as an answer to the conclusions of the COB Sixth Congress, which demanded that Siles Zuazo grant greater worker participation in political and economic decisions, the president has decided to incorporate the top labor leaders into the executive branch.

According to government sources cited by EL DIARIO, the executive branch has adopted this decision, which has not been made official yet, to prevent an escalation of labor strikes and stoppages that threaten to destabilize the democratic process that began in October 1982.

The report adds that another purpose is to strengthen the government so that it can face the offensive that has been launched by Congress and the private business sector.

The date that has been set for the COB access to the government happens to be the second anniversary of Siles Zuazo's constitutional mandate.

Juan Lechin Oquendo, the COB secretary general, who is currently making a trip to several Latin American countries, demanded in 1983 that Siles Zuazo accept shared administration of the Bolivian state by having labor hold 51 percent of government leadership positions.

Invitation Denied

PY011818 La Paz Cadena Panamericana in Spanish 1700 GMT 1 Oct 84

[Excerpts] President Hernan Siles Zuazo has announced that on the occasion of the second anniversary of the Democratic and Popular Unity [UDP] assuming government, the cabinet will be restructured. This was reported to Radio Panamericana by Oscar Eid Franco, one of the top leaders of the Movement of the Revolutionary Left, who stated that the president informed the UDP Executive Committee about the decision this morning. The second anniversary of UDP government will be next 10 October.

The problem of co-government with the Bolivian Labor Federation [COB] has not been discussed at any time, according to statements made by Eid Franco.

According to a categorical statement by COB Secretary General Walter Delgadillo, the constitutional government has not offered co-government to the COB. This subject has not been discussed at all, he specifically replied when consulted about a press report published today. This is what the labor leader said:

[Begin Delgadillo recording] We are about to release a press statement. We wish to be absolutely clear. We have had two official meetings with government people. The subject has not been discussed at all. We have submitted our emergency plan and we are awaiting a political response from the government. [end recording]

Radio Panamericana then asked him for his opinion [word indistinct] co-government. He replied that the position of the national labor congress, held in Cochabamba, was clear: The contacts with the government simply refer to the study of the economic crisis.

Summing up, Delgadillo said that the UDP regime did not offer co-government to the COB, which is waiting for the talks to be resumed on the highest level as soon as possible, since a delay only allows speculation throughout the country.

LOCOMOTIVES, TROLLEYS PURCHASED FROM ROMANIA

PY251855 La Paz Cadena Panamericana in Spanish 1700 GMT 25 Sep 84

[Text] Twenty-five locomotives for hauling light trucks carrying metal ore at the mines operated by Mining Corporation of Bolivia [Comibol] are in transit from a port location on their way to the south. They will arrive this weekend and will start a trial period in several production districts.

Comibol has signed a credit with the Romanian enterprise (Importexportseif) for the supply of 84 battery-powered locomotives and trolleys worth more than [words indistinct].

This information has been supplied to Radio Panamericana by the public relations department of Comibol.

BRIEFS

AIR FORCE PURCHASES PLANES -- Santa Cruz, 30 Aug -- Military Aviation School Commander General Carlos Jaldin today reported that the Air Force has purchased 16 T-33 [as published] training planes from France and 3 "Lama" helicopters from Brazil. He said that the planes will be delivered to Bolivia within the next 2 months and that the 3 helicopters will arrive in September. The French-made helicopters have been assembled in Brazil. [Summary] [La Paz PRESENCIA in Spanish 31 Aug 84 p 1 PY]

61 STUDENTS TO USSR -- On 7 September, 61 school and university students will travel to the USSR OR SCHOLARSHIPS GRANTED BY THE Soviet Government. Most of the students are between 18 and 19 years of age and members of poor families. [Excerpts] [La Paz EL DIARIO in Spanish 30 Aug 84 p 3 PY]

FIGUEIREDO DISCUSSES SUPPORT FOR MALUF

PY282150 Rio de Janeiro LATIN AMERICA DAILY POST in English 28 Sep 84 p 1

[Text] Sao Paulo (DAILY POST) -- President Joao Figueiredo Thursday denied he had "Malufado, the Portuguese pun used to denote fence-sitting politicians who have opted to support the candidacy of Dep Paulo Maluf for the presidency of the nation. Figueiredo's good-humored comment came as he was entering a Sao Paulo clinic for treatment of a back ailment.

Asked by a reporter if he could be described as being a "Malufista" the president replied with a simple "No."

The issue is important because Maluf is the official PDS Party candidate and Figueredo is the honorary president of the party as well as the chief executive of the nation.

Figueiredo is known to have opposed Maluf's candidacy when the PDS Party held its nominating convention last month and subsequently has given only luke-warm support to Maluf, even though he won the party nomination.

However, in the short conversation with reporters Figueiredo was ambivalent about his preference in the campaign. He was asked if it was true that Mines and Energy Minister Cesar Cals had said that Figueiredo had made an appeal to support of defeated candidate Mario Andreazza to support Maluf. [as published]

Figueiredo replied: "Minister Cesar Cals wouldn't lie, would he? If he said that, it's because I said it."

Figueiredo declined to answer a question about whether or not Maluf or PMDB candidate Tancredo Neves was the favorite to win next January's electoral college election. But he said he agreed with Maluf's comment early this week that what was important in politics was to win. "I agree with Napoleon," Figueiredo said. "It was Napoleon who said that in war what is important is to win."

In Brasilia, Cesar Cals reported Thursday that 32 of 45 electors of the electoral college who had supported the candidacy of Mario Andreazza for the PDS nomination had confirmed to him their willingness to vote for Maluf. Cals said he held a breakfast meeting with them and defined a series of commitments such as constitutional, reform, a four-year presidential term and direct elections at all levels of government after the next presidential term expires.

Opposition candidate Neves, meanwhile, visited hospitalized Vice President Aureliano Chaves, a main supporter who bolted the PDS Party to form the Liberal Alliance with the former Minas Gerais state governor. Neves said he was not worried about Andreazza supporters going ahead and voting for Maluf. He repeated his confidence that he had over 100 votes margin to win the Electoral College today but expressed concern about the long period to go before the January vote takes place.

MALUF DISSATISFIED WITH CURRENT POPULARITY

PY302210 Rio de Janeiro LATIN AMERICA DAILY POST in English 30 Sep-1 Oct 84 p 1

[By Herbert Zschech]

[Excerpt] Rio de Janeiro -- What sounded two weeks ago to some delicate ears like saber rattling presaging military interference with the successorial problem, has subsided just as suddenly as it began.

Tencredo Neves and his collaborators have duly got ten the message.

There will be no red banners at forthcoming street rallies for his candidacy, no provocations will be allowed and radical leftwingers will be prevented, if at all possible, from making speeches.

Neither the Figueiredo government nor the political regime, least of all the revolution of 1964, will be challenged. Military hardliners will not be given any pretext for criticism, as far as it depends on Tancredo Neves and his staff. The only question might be what's the use of street rallies at all in this present phase of campaigning? The presidential election definitely will be in the electoral college, without popular voting, and since Neves affirms to have already guaranteed a solid majority of votes which should make superfluous further organized pressure on the electors in the college for supporting him.

Still, a current lull in the stormy weather of politics might be shortlived. Rumors in the last few days said that candidate Paulo Maluf and his campaign aides were losing patience with the lukewarm support given him by most of Figueiredo's government, principally his Civil Cabinet Chief Leitao de Abreu who was therefore about to be ejected.

This proved untrue. Planning Minister Antonio Delfilm Netto, who had been mentioned as Leitao de Abreu's successor, came to his defense, publicly praising him in a somewhat emphatic style not habitual with him.

Anyway, it now appears to have been an unfounded rumor. It had a foundation, but a different one. Maluf, dissatisfied with his awkward position as the government's candidate without however receiving effectual government aid, and feeling that being an unpopular government favorite is a burden rather than an advantage especially when it is a favoritism mostly restricted to non-committal declarations, decided not to actually break with the Planalto Palace but to regain his full freedom of action, especially after Figueiredo's refusal on Thursday to be considered a Malufista.

Without paying much attention to the Planalto strategy Maluf will start this week a new round of visits to all state capitals, talking with the governors and leading politicians, including those of the opposition, trying to make prevail his never doubted talent for establishing friendly personal contacts.

He is sure, as he made understood, that he will still be able to bring back to the PDS many of its dissidents who are presently, temporarily, as he thinks, followers of Tancredo Neves. He will prudently avoid facing popular hostility at public gatherings but will unfold his powers of direct persuasion behind closed doors. He believes that before the end of October, the pendulum now swinging toward his adversary Neves, will have swung back to his side.

MALUF RECEIVES SUPPORT FROM ANDREAZZA FOLLOWERS

PY280155 Brasilia Domestic Service in Portuguese 2200 GMT 27 Sep 84

[Excerpt] Thirty-five deputies who supported Mario Andreazza at the Social Democratic Party [PDS] presidential convention have decided to back Deputy Paulo Maluf, the official PDS presidential candidate. This information was announced by PDS Deputy Santos Filho, from Parana State, who said that the decision was made at a meeting last night in which Paulo Maluf, Interior Minister Mario Andreazza, and Mines and Energy Minister Cesar Cals participated. The Parana deputy noted that only 12 deputies from this group have not gone along with this decision.

With the support of these deputies, Maluf has increased his advantage over Tancredo Neves from 76 to 90 [as heard] votes, a margin that can go up to 100 by January.

Talking about what he referred to as the merger of the pro-Maluf and pro-Andreazza forces, Paulo Maluf, speaking in Brasilia, underscored the importance of this support for his electoral campaign, and even for his electoral triumph.

[Begin Maluf recording] I think that something new happened today, thanks to the will of President Figueiredo, who is loyal to the PDS. So I now have the support of 40 [as heard] more senators and federal deputies from Minister Mario Andreazza's group. [end recording]

PCB, PCDOB DISAGREE ON RED BANNERS AT RALLIES

PY012315 Sao Paulo FOLHA DE SAO PAULO in Portuguese 30 Sep 84 p 7

[By Andre Singer]

[Text] The Brazilian Communist Party (PCB) will leave its red banners home during the upcoming rallies in support of Tancredo Neves, while the Communist Party of Brazil (PCdoB) will only reduce the number of red banners bearing its emblem. These are the responses to the request for moderation made by the leaders of the Democratic Alliance [opposition coalition supporting Tancredo Neves] following statements by President Figueiredo and the Army and Air Force commanders on the presence of clandestine parties in the presidential campaign.

Without withdrawing their support for Neves, the clandestine Communist Parties, which today enjoy a semilegal status, will now have a less visible presence in the demonstrations of support for the former governor of Minas Gerais, Tancredo Neves. Their attitudes are however different: The PCB considers the carrying of red banners to the rallies a marginal and secondary activity in the context of its political strategy, and so it does not mind leaving the banners home, while the PCdoB seems to believe that the complete withdrawal of banners would be an unjustifiable capitulation, and so it only accepts a reduction in number.

Its semilegal situation does not prevent the PCB from making public its support for Tancredo Neves by other means, such as by the newspaper VOZ DA UNIDADE (a weekly with a circulation of 33,000), the organ of the party, which does not conceal its preferences, and the communist congressmen who were among the first to support the candidate of the Democratic Alliance.

PCB Secretary General Giocondo Dias prefers not to talk of retreat and said that the banners at the Goiania rally on 14 September appeared by the personal decision of some members, not on orders from the party. However, it should be noted that "spontaneity" does not enjoy much room in an organization as centralized as the PCB. Regis Fretes of the Central Executive Committee recognizes that the banners aroused the enthusiasm of the members, "they gave force to the participation in the rally."

Even though there might have been little difficulty in explaining to the members the advisability of giving up the practice of carrying banners for the time being, "they will always bring problems," said Giocondo Dias, implicitly revealing some resistance to the tactical retreat adopted regarding the carrying of banners. The leaders of the PCB are certain that in terms of progress for the struggle for the legalization of the party, the victory of Tancredo Neves is fundamentally important. Other things will come later, and the PCB does not want to give pretexts for trouble on the way to its legalization objective.

SAUDI ARABIA SEEKS ARMS, TECHNOLOGY TRANSFER

PY012025 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Sep 84 p 11

[Text] Brasilia -- Transfer of technology for naval construction could be one of the subjects of talks to be held with Brazilian authorities by Prince Sultan ibn 'Abd al-'Aziz, Saudi defense and aviation minister and deputy prime minister on his visit to Brazil to take place in October, according to Navy Minister Alfredo Karam, who stressed the Navy's interest in obtaining currency through the expansion of exports of Brazilian-made naval equipment.

Army sources have also admitted that the visit of Prince Sultan ibn 'Abd al-'Aziz will probably result in the signing of contracts for the purchase of weapons, and especially of the Urutu and Cascavel tanks and of the new Osorio tank, all of them manufactured by Specialized Engineers, Inc. [Engesa] in addition to heavy ammunition for 90-mm cannons, manufactured by Ordnance Industry [IMBEL]. The same predictions have been made in the Air Force sector, regarding the multiple-rocket launcher Astros II, manufactured by Brazilian Aviation Company [Avibras], which was displayed for the first time during the 7 September parade.

According to Itamaraty, Sultan ibn 'Abd al-'Aziz is expected to arrive in Brazil on 8 October, although there are still some disagreements regarding the correct date for his arrival. The Saudi minister will come from France, where he held a meeting with President Francois Mitterrand. With France, the second largest weapons supplier to Saudi Arabia, the Saudi Government signed in February 1984 a contract for $4 billion. Sultan ibn 'Abd al-'Aziz will visit Brazil at the invitation of the government itself, and he will probably ask that a license be granted for the production in Saudi Arabia of a portion of the weapons to be purchased.

The Saudi prince is the highest-ranking Middle East authority of the military sector to visit Brazil. In an interview granted to Riyadh Radio he confirmed that his country has great interest in purchasing Brazilian weapons. Negotiations in this regard were begun 2 months ago by a Saudi military delegation which held meetings with authorities of Brazilian Aeronautics Company [Embraer], of Aerospace Technology Center [CTA], and of Avibras. During Prince Sultan ibn 'Abd al-'Aziz' visit to the country, therefore, the final terms of the agreement will be established.

ARMS PURCHASE RAPPROACHEMENT WITH LIBYA STUDIED

PY020202 Sao Paulo VEJA in Portuguese 19 Sep 84 p 35

[From the "Radar" page: "Brazil Studies Association With Libya"]

[Text] Military circles in Brasilia are studying a rapprochement with the government of Colonel Mu'ammar al-Qadhdhafi, who is interested in forming an association with Brazil in materiel industry projects. Libya has invited Brazilian officers to visit the country, and intends to purchase submarines to be built in Brazil under FRG license.

BRIEFS

MULTINATION TRADING ORGANIZATION -- The charter creating Latinequip was signed in Buenos Aires on 3 August. This is a trading company made up by Nacional Financiera of Mexico, Buenos Aires Provincial Bank of Argentina, and the Sao Paulo State Bank of Brazil. The company will support undertakings in the area of capital goods, machinery, and equipment by private enterprises on the continent. [Excerpt] [Rio de Janeiro O GLOBO in Portuguese 4 Aug 84 p 26 PY]

MEDIATOR DENIES BEAGLE TALKS NEAR CONCLUSION

PY020200 Santiago Domestic Service in Spanish 2300 GMT 1 Oct 84

[Excerpt] One cannot talk about substantial progress in the mediation process as long as an agreement on all the points under dicussion has not been reached. This is what the head of the Chilean delegation to the mediation, Colonel Ernesto Videla, has stated, referring to the current status of the negotiations and to Argentine reports stating that the (?dispute) has practically concluded. Col Videla stated that all the points under discussion are important and that, therefore, as long as an agreement has not been reached on all those points, one cannot say that an accord exists.

2 OCT PROTESTS CALLED; 'CONFRONTATIONS' FEARED

PY020130 Buenos Aires TELAM in Spanish 2229 GMT 1 Oct 84

[Text] Santiago, 1 Oct (TELAM) -- All opposition political and labor organizations have been mobilized in the past few hours to express their protest against the military regime of President Augusto Pinochet. In addition to the announced march against price increases which has been called for 2 October, and the march to protest the government's economic policy on 10 October, a great national stoppage is being prepared for this month.

In open defiance of the latest government warnings that repression will be stepped up, political, labor, business, and student leaders are preparing a great national stoppage in repudiation of the government. The calling of this strike will be proposed to the National Workers Command (CNT), headed by miners' leader Rodolfo Seguel.

The meeting of all these leaders under the name of the Santiago Social Coordination Board (MCSS] was held for the purpose of uniting efforts in the drive for the restoration of democracy in Chile, as was confirmed after the meeting by Metropolitan Workers Command President Humberto Aros.

The groups attending the meeting clearly expressed their position against all aspects of the government action and expressed their support for all the announced demonstrations. Some of the groups present were the Popular Democratic Movement (MDP), the Democratic Alliance (AD), the National Democratic Project (PRODEN), the Socialist Bloc (BS), the Coordinating Board of Neighborhoods Organizations (COAPO), the Neighborhood Movement for Dignity (MDP), and the Metropolitan Neighborhoods Coordinating Board (CMP).

After confirming their adherence to the 2 and 10 October marches, the Santiago social coordinating board organizations noted the urgent need to implement a nationwide stoppage, reiterating the will of the Chilean citizenry to see the military out of the government. Aros also mentioned the firmness of the MCSS in demanding that the CNT call for the nationwide stoppage this month without fail.

Official circles have made no comments regarding these mobilizations of the opposition. However, the announcement that the president and the government junta will meet sometime during the first 2 weeks of this month to discuss the Political Parties Law and other topics of current interest was regarded in opposition circles as a subtle reminder. According to these circles, the subtlety should be obvious in the fact that the announcement of a meeting for a date in early October to consider other topics of current interest is sufficiently suggestive as to be considered another threat.

This assumption made by the opposition is reinforced by the preparations being made by the police forces in anticipation of tomorrow's march. The level of social tension is rising in Santiago because of the fear that painful confrontations may reoccur.

THREE DEATHS REPORTED IN 28 SEP CLASH

PY011250 Paris AFP in Spanish 1625 GMT 29 Sep 84

[Text] Santiago, 29 Sep (AFP) -- According to several witnesses, three persons died in Santiago as a result of confusing incidents between police and demonstrators last night.

The first victim was Julio Valencia Castillo, a worker who was attacked with a sharp weapon and beaten while the police cleared hundreds of poor families from an empty construction lot they had seized in the zone of Puente Alto, 20 km south of Santiago.

Later, two men died at the local hospital as a result of several wounds; this was reported by officials but they did not specify the circumstances. However, witnesses reported that Valencia was killed by Carabineros, and newspaper reports link the other two cases to the same incident.

The riot took place the night of 28 September. It was the most violent riot since the antigovernment protest of 4 September during which nine persons died, including French priest Andre Jarlan.

2 SENTENCED TO DIE FOR ASSASSINATING GENERAL

PY290340 Paris AFP in Spanish 0211 GMT 29 Sep 84

[Text] Santiago, 28 Sep (AFP) -- Two leftist Chileans were sentenced to death today for the killing of a high-ranking military chief. The lower court verdict was dictated by the military judge of Santiago, General Samuel Rojas Perez. An official communique stated that Carlos Arturo Garcia Herrera and Victor Manuel Zuniga Acellano had been charged with the assassination of the former director of the Army Intelligence School, Lieutenant Colonel Roger Vergara Campos, on 15 July 1980. According to the prosecution, the two indicatees were traveling in a pickup truck when they intercepted the car of the high-ranking military chief and shot him to death with a submachine gun.

The communique also reported that Garcia and Zuniga had participated in several attacks which cost the lives of seven policemen.

The sentence dictated by the military judge will have to be reviewed by the Supreme Court.

STATE ENTERPRISES NEED APPROVAL FOR PRICE HIKES

PY291318 Santiago Domestic Service in Spanish 1100 GMT 29 Sep 84

[Text] On orders of the president of the Republic, state-run enterprises have been notified that they will have to consult the Economy Ministry before raising their service rates or prices. The decision has been made due to the influence of such enterprises on the national economy. In addition, they were also instructed to provide consumers with accurate information on market conditions. Thus, any future readjustment will be subject to Economy Ministry approval.

Likewise, before 3 October, state-run enterprises will have to inform the Economy Ministry what their price and rate levels were for 15 September 1984 and for today and to justify any eventual change.

BETANCUR MEETS WITH NICARAGUA'S BAYARDO ARCE

PA292350 Managua BARRICADA in Spanish 28 Sep 84 pp 1, 5

[By special correspondent Maria Alicia Talavera]

[Excerpts] Bogota -- Commander of the Revolution Bayardo Arce, coordinator of the FSLN National Directorate's Political Commission, reiterated last night to Colombian President Belisario Betancur his government's decision to sign, without any amendments, the Contadora Group's peace document.

Arce leads a high-level delegation which is also comprised of Companero Jose Pasos, deputy chief of the Department for International Relations [DRI]. They met with Betancur at Narino Palace for 5 hours.

After the meeting, where they also discussed economic collaboration between Colombia and Nicaragua and the possibility of increasing it, President Betancur said to this special correspondent: "I am honored and pleased with Commander Arce's visit".

In addition, Betancur said that he had invited Commander Arce so that, upon his return from Brazil, where he will participate in meetings of the Socialist International's coordination bureau, he will again visit Bogota.

Bayardo held a news conference with approximately 50 journalists after his meeting with Betancur. He said: "The results were as could be expected between two friendly governments, because we discussed topics of interest such as peace in the region and the stability of Latin American countries".

Regarding the topics discussed in the meeting with President Betancur, Arce said that "just like we reported at government level, we came to assert and reiterate our willingness to sign the Contadora Group's peace document without amendments, to establish the norms of peace, stability, and harmony in the Central American region".

"We told Betancur that, as he is well aware, we have been presenting a series of suggestions to achieve peace in the region because we are victims of U.S. aggression, even though the Contadora Document still does not fully reflect what we consider would be the appropriate formula to eliminate problems in the region and achieve harmony between the Central American nations."

Arce said: We believe what Betancur said, that Contadora feels optimistic that the Central American countries have found an acceptable way to establish the necessary basis to achieve peace in the region.

MINISTER SAYS NO CHANGE IN GOVERNMENT POLICY

PA010330 Madrid EFE in Spanish 0209 GMT 1 Oct 84

[Text] Bogota, 30 Sep (EFE) -- Colombian Government Minister Jaime Castro Castro said today that the Colombian administration is convinced of the goodness of its policy for peace and will not change it.

During a broadcast over radio and television, Castro said: "The peace policy, which is first priority to the government, is not the result of improvisation. It is complete and in earnest, and is the result of an objective analysis of violence."

The minister added: "The government applies two solutions in its peace policy: one political and the other military. The government holds an olive branch in one hand, while it holds the state's punitive action for those who reject peaceful solutions in the other hand."

Castro went on to say that the national dialogue, agreed upon in the accords of the cease-fire between the government and guerrilla groups, is not the time to make final decisions. This dialogue will have a reasonable duration and nobody will be allowed to attend this dialogue bearing arms or wearing military garments.

In this manner, the minister again explains, just as he had done at the congress, that out of this national dialogue recommendations will come forth for reforms to be made in the parliament which have already been accepted by the groups that signed the cease-fire.

The Betancur government signed a truce with the Revolutionary Armed Forces of Colombia, FARC, the 19 April Movement, M-19, the Popular Liberation Army, EPL, and a sector of the Workers Self-Defense, the ADO. This truce has been questioned by some sectors of the country.

During his address to the Colombian people, Castro reiterated that there is no secret in the truce agreements signed by the government and added: "There are no accords, agreements, or commitments other than those included in the documents signed."

Castro said: "None of the parties have privately expressed reservations or requests other than those that appear in the documents," and added that the guerrilla groups "acknowledge our institutional organization, Army, and legal status."

The minister admitted that the agreements signed are not peace agreements. He went on to say that we can be sure that peace could never be attained without a truce, and he asserted: "The most important aspect of what has been accorded deals with the cease-fire, suspension of hostilities, and the silencing of rifles."

Castro indicated that the government's peace policy is based on the permanent presence of the forces of public order throughout the country, as well as on talks and agreements with guerrilla groups; social, economic, and political reforms; the implementation of a rehabilitation plan; and an appeal for the population's cooperation.

Castro finally pointed out during his address, which was given exactly 1 month after the enforcement of the cease-fire began: "The reforms derived from the agreements with the guerrillas will not be of a revolutionary nature."

Further Statements

PA011738 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 1 Oct 84

[Text] Bogota -- Peace must be achieved in order to eliminate the possibility of a civil war, Government Minister Jaime Castro has said. He added that the current administration's peace policy is not the result of improvisation and that it will be furthered. He said that the so-called national dialogue cannot be viewed as a set of decisions but as recommendations for the government which will channel them through its institutions. He stressed that the national government has not made any under-the-table deals with the subversive organizations and that the latter have accepted the agreements proposed by the administration in line with Colombia's legal framework.

The minister explained that the government's peace policy is based on (?five) points that the government is determined to enforce. First, he made it clear that the public force will be present all over the national territory, and that it will act firmly against crime and those who are outside the law, as a constitutional principle for protecting the lives, honor, and property of all Colombians.

The government has clearly stated that its policy is not one of raze the land; it should state with equal clarity that neither does its policy call for areas or zones in the national territory that might be termed a no man's land, the minister stressed. He added that a second aspect of the peace policy deals with the agreements reached with the subversive groups. The most important thing thus far is the cease-fire, the suspension of hostilities, and the silencing of the rifles which, as the agreements themselves (?established), should lead to the reincorporation of the guerrillas into civilian life.

According to the minister, a third point deals with the execution of the political, economic, and social reforms. None of these reforms has a revolutionary character; they are not antisystem measures and are in line with the traditional reformism of Colombian institutions. He pointed to the national rehabilitation plan as the fifth point of the peace policy. This plan, destined for the areas affected by violence, is a government priority for bringing them out of their situation of underdevelopment and poverty. To all this, he said, one must add the participation of the citizens and the solidarity of society as a whole because peace is both a right and a duty of all Colombians. We must all help achieve it, Minister Castro asserted. Support and solidarity can be given in many ways and both the civilian and military authorities have been looking for them, he said. Finally, he stressed that peace is and remains the current government's number one priority.

FARC GROUP DEMANDS M-19 LEAVE CORINTO AREA

PA282230 Bogota EL TIEMPO in Spanish 24 Sep 84 p 9A

[Text] The Eighth Front of Revolutionary Armed Forces of Colombia [FARC] has demanded the immediate withdrawal of all 19 April Movement [M-19] members who are in the region of Corinto Cauca, "so that we will not have to declare them usurpers and force them out with our weapons and men." The insurgents led by Rafael Antonio Aguilera set an 8-day deadline so that "the region that belongs exclusively to our organization" will be cleared of M-19 members who arrived there for the signing of the truce with the government and have remained there. The demands of FARC's Eighth Front are included in a communique sent to the news media. In the communique, it states that the Corinto region has been FARC's base of operations for more than 30 years during which it struggled against the Army.

"This region belongs exclusively to our organization," the communique stated, "and it was abusively seized by the M-19 for the signing of the truce, an action that we did not oppose because we believed it contributed to a real democratic opening. We were the first to sign a truce in La Uribe, setting the example for other guerrilla organizations.

"After the signing of the agreements, they have stayed there, usurping our zones of operation and recruiting our people, something we will not permit," FARC added. "We will give them 8 days to withdraw from our operations area so that we will not have to declare them usurpers of the territory and masses that by right belong to us. If they do not, we will have to force them out with our weapons and men," the communique stressed. "We issued a call to the M-19 so that voluntarily and without confrontation it will agree to our request because just as we have respected their territory, we demand that they respect ours. If they do not do this, we will consider them traitors to the revolutionary cause and the people will make them pay dearly for this violation of our territory," the communique added.

BOLIVIA'S LECHIN ARRIVES TO DISCUSS DEBT

PY011447 Madrid EFE in Spanish 2225 GMT 30 Sep 84

[Text] Lima, 30 Sep (EFE) -- Juan Lechin, executive secretary of the Bolivian Labor Federation [COB] today arrived in Lima, which is the first stage of a tour to seek support for the COB position of postponing the payment of Bolivia's debt to private banks, which amounts to $4.5 billion. Lechin, who will stay in Lima for 2 days and will later travel to Bogota and Caracas, said that the COB position has been accepted by the Bolivian Government, considering that Bolivia "is unable" to pay its foreign debt because "it does not have any resources."

Lechin remarked: "Mineral production has decreased and this compels Bolivia to postpone the payment of its debt to usurious banks at a time when Latin America is confronting an unprecedented crisis this century."

The union leader pointed out that the COB proposal to break away from the international banks has been supported by Bolivia's productive sectors, which believe that the measure is necessary because Bolivia "needs dollars to promote development."

Lechin remarked that the COB proposed "just to stop paying the debt and not declaring a moratorium," and that it advocates meeting the obligations contracted with organizations such as the IDB and national governments. He said that the terms for the repayment of these debts and their interest are longer and this enables Bolivia to implement development programs.

"It seems that private banks have served military governments exclusively and now they are pressuring us to meet the terms," Lechin said. As for the IMF, the Bolivian union leader said that "the IMF economic model has only served to strain the economy of countries."

Lechin reported that another COB delegation will travel to Santiago, Buenos Aires, and Mexico to seek support for the COB position.

Lechin concluded by expressing the Bolivian people's decision to struggle to preserve a stable democracy, adding that "this depends on the government because it must prevent a coup."

INTERIOR MINISTER REPORTS ATTACK ON U.S. EMBASSY

PY291320 Lima Cadena Panamericana Television in Spanish 0300 GMT 29 Sep 84

[Text] Interior Minister Luis Percovich Roca has stated that the subversives [who attacked the U.S. Embassy] were positioned in front of the Italian Museum and used a light automatic rifle.

[Begin Percovich recording] It has been learned from preliminary reports that three individuals participated in the attack and that the weapon used was a light automatic rifle. Sixteen [words indistinct] have been found, and investigations continue. A person was detained at once, but the investigation showed that he was not linked to the attack. When there is further progress in the investigation a report will be released, as usual, through the Civil Guard or the Investigative Police. [end recording]

TUPAC AMARU GROUP ATTACKS UPI LIMA OFFICE

PY292130 Madrid EFE in Spanish 2108 GMT 29 Sep 84

[Excerpts] Lima, 29 Sep (EFE) -- Four members of the Peruvian movement Tupac Amaru today assaulted the office of the U.S. news agency UNITED PRESS INTERNATIONAL (UPI) in Lima and

This is the third terrorist attack this group has made against U.S. concerns in Peru in the last 2 days after setting a bomb at the Seard store on Friday, and after firing on the U.S. Embassy with a machine gun.

Three men and a woman broke into the UPI office at 1615 GMT today in Lima and forced a woman journalist and the teletype operator to transmit a communique.

According to Tracy Wilkinson, UPI Director in Peru and Bolivia, the terrorists said that their attack was meant as a protest against President Belaunde's U.S. policy, and also against U.S. imperialism.

After half an hour, the terrorists locked the journalist and the teletypist inside the office, and after painting signs on the walls, they left the building.

The Typac Amaru Revolutionary Movement made its public appearance in the beginning of September when it claimed attacks against a police station and against a guard post at the Lima Naval Hospital, where a noncommissioned officer died.

Intelligence service sources expressed their doubts to EFE on those occasions whether this new terrorist group has a different orientation from the Maoist "Shining Path" organization.

Interior Minister Luis Percovich has stated that the Tupac Amaru group is just a sub-group [tapadera] of the Shining Path organization, an opinion which prevails within government circles.

However, an expert in terrorism stated today that the modus operandi, the use of weapons, and the desire for publicity observed in Tupac Amaru are considerably different from Shining Path, which is characterized by "ignoring almost completely" the communications media.

The new terrorist organization has taken its name from the name of Indian Jose Gabriel Condorcanqui, who under the Incan name of Tupac Amaru II, headed an aborted rebellion against the Spanish Viceroyalty in Peru in the 18th century, and was therefore executed.

The wave of attacks against U.S. properties in Peru began on Friday morning when several armed men machine-gunned the facade of the U.S. Embassy in Lima, without causing any casualties.

FOUR INTRUDERS ENTER AP OFFICE IN LIMA

PY291913 Paris AFP in Spanish 1830 GMT 29 Sep 84

[Text] Lima, 29 Sep (AFP) -- Today at noon four men occupied the Lima office of the U.S. news agency AP, after doing the same thing at the UPI office shortly before, and compelled a journalist to send a revolutionary statement to New York.

At the time, three AP employees were in the office. The intruders, who carried guns, ordered them to lie down on the floor, while they compelled the journalist to send the extremist message. The manager of the agency, John F. Wheeler, was out at the moment.

The group, who had put on hoods while in the office, painted slogans on the walls, locked the employees in the bathroom and left, after warning them that they should not move for 5 minutes because a bomb was left at the office door.

NEW LABOR, SOCIAL WELFARE MINISTER NAMED

PY012145 Paris AFP in Spanish 2117 GMT 1 Oct 84

[Text] Montevideo, 1 Oct (AFP) -- The military Government of Uruguay today appointed Ramon Malvasio as new labor and social welfare minister, replacing Colonel Nestor Bolentini, retired. Bolentini resigned last week to engage in political activities within the framework of the Patriotic Union for the Defense of Democracy (UPDSD) [Union Patriotica Salvaguarda de la Democracia], a party which he founded and which is backing him as presidential candidate in the coming general elections scheduled for November this year.

The new minister, who is a public accountant, has been under secretary of the Labor and Social Welfare Ministry since 1980.

GALLUP SAYS COLORADOS AHEAD IN PRESIDENTIAL RACE

PY011401 Paris AFP Spanish 1351 GMT 30 Sep 84

[Text] Montevideo, 30 Sep (AFP) -- A Gallup poll today reveals that the traditional Colorado Party (liberal) of Uruguay could win the upcoming November presidential elections with the votes of people over the age of 35. The organization, which gives the Colorado Party a 12-point lead over the Blanco Party (center-left) and the Broad Front (a coalition of leftist parties), states that the Colorado Party can count on the support of older people, especially those over 50. The poll indicates that the support starts with people aged 35 and increases greatly the older the person, while the other two parties have the support of younger people.

Gallup maintains that most men favor the Broad Front, while women prefer the Blanco and Colorado parties. Most women are still undecided.

SANGUINETTI NOT TO ATTEND SOCIALIST MEETING

PY011825 Paris AFP in Spanish 1335 GMT 1 Oct 84

[Excerpts] Montevideo, 1 Oct (AFP) -- Colorado Party (liberal) presidential candidate Julio Maria Sanguinetti will not participate in the Socialist International meeting that will open in Brazil today following the official decision to prohibit Blanco Party presidential candidate Alberto Zumaran from leaving Uruguay. The Colorado presidential candidate was to have traveled to Rio today along with Colorado International Affairs Secretary Roberto Asiain. Asiain will now be the only Colorado representative at the meeting.

Colorado Party sources have reported that Sanguinetti's decision was motivated by solidarity. Sanguinetti said the official measure against his Blanco counterpart was totally arbitrary, and during a telephone conversation with Zumaran, he conveyed to him his decision not to participate in the Socialist International meeting.

Following the nonparticipation of Zumaran and Sanguinetti, General Liber Seregni is the only representative of the Uruguayan party leaderships that will participate in the Socialist International meeting. Seregni was released a few months ago after serving an almost 10-year prison term for crimes against the state.

OFFICIAL REQUESTS DISMISSAL OF FERREIRA CHARGES

PY020115 Montevideo Radio Carve in Spanish 0000 GMT 2 Oct 84

[Excerpt] A Supreme Court prosecutor magistrate has requested that the charges of crimes against the state pending against Wilson Ferreira Alduante be dropped. This report was released to Radio Carve by Ferreira Aldunate's lawyer Rodolfo Canabal who said that this is a step forward in the case. The Supreme Court judges must now study the case to make a collective decision. Canabal added that the other charges mu t be heard by the military court, regarding the request for the release of Ferreira Aldunate.

COMMUNIST YOUTH LEADER RELEASED AFTER 8 YEARS

PY271520 Madrid EFE in Spanish 0107 GMT 27 Sep 84

[Text] Montevideo, 26 Sep (EFE) -- The president of the Uruguayan Communist Youth, 40-year-old Jorge Mazzarovich, was released today after being imprisoned here for 8 years. He was detained on 5 January 1976, accused by military justice of subversive activities. After being tried under the State Security Law, Mazzarovich was imprisoned in the jail of Libertad, 60 km west of Montevideo, where several Tupamaro guerrillas are also imprisoned. Mazzarovich was released under the democratization program agreed to by the leaders of three political parties and the commanders of the Armed Forces, who have been in power for the last 11 years.

Hundreds of communist demonstrators gathered this evening in front of Mazzarovich's home, near downtown Montevideo, to greet the communist leader who talked about the importance of the popular struggle taking place in Uruguay. He said that this struggle is what helps political prisoners stand imprisonment.

UN CONSULTANT TO DEDICATE PRESSUR NEWS AGENCY

PY291727 Montevideo Radio El Espectador Network in Spanish 1600 GMT 29 Sep 84

[Excerpt] The international community is aware that the Uruguayan people are undergoing a dynamic process of change, and that a cordial atmosphere prevails despite the fact that an electoral campaign is under way. This statement was made to El Espectador, Radio Sport, and Cadena de Oro by Italian (Roberto Savio), director general of INTERPRESS and consultant for several UN agencies. Mr (Savio) has arrived in Montevideo, where he will attend a seminar on the use of communications as a tool of democracy. He will also meet politicians and dedicate the Uruguayan international news agency PRESSUR on 1 October.

U.S. NAVAL SHIPS TO BE PERMITTED TO DOCK

PY260056 Montevideo Radio Carve in Spanish 0000 GMT 26 Sep 84

[Excerpts] The State Council is at this time discussing the rules for distribution of pasteurized milk. The initiative has been approved in general by a 15 to 0 vote, and it is now being analyzed article by article. The minister of agriculture and the minister of fishing are in attendance.

Another point discussed referred to U.S. Navy ships that will participate with Uruguayan Navy ships in the "Unitas" operation granting them permission to dock at any Uruguayan port.

PRESIDENT DISCUSSES DEBT, AREA SITUATION

PM261515 Paris LE FIGARO in French 21 Sep 84 pp 1, 2

[President Miguel de la Madrid interviewed by Jean Francois-Poncet -- date and place not given]

[Excerpts] On 15 August 1982 Mexico informed its creditors and the IMF that it could not meet the repayments on its huge foreign debt. A wave of panic spread over throughout the Western capitals. The central banks, the IMF, and the big private banks took the emergency measures necessary in face of a disaster. The worst was only just avoided. But nothing was solved, and the international financial community trembled.

Two years later Mexico is held up as an example. It is the darling of IMF. Its Finance Minister Silva Herzog has been chosen by FORBES, the serious American investment magazine, as "financier of the year."

Mexico has considerable influence throughout the Latin American continent, but especially in Central America, which is torn by civil war. It also has great authority in the Third World. The Mexican president's judgement on these questions cannot be ignored. But Miguel de la Madrid is primarily the man on whom the vast debt problem hinges. There will only really be light at the end of the tunnel if the Mexican recovery continues. Is there reason for hope?

The president: I think the worst is behind us. Mexico is paying its interest. In conjunction with its creditors it has rescheduled its repayment dates for the coming years. It is gradually regaining its ability to import. It reduced its inflation from 100 percent in 1982 to 80 percent in 1984. Will it succeed? I am not making any forecasts. But I would like to point out that price increases fell from 6.5 percent in January to 2.8 percent in August. As for economic activity, which fell by 5 percent in 1983, it could increase by 1 percent this year and 3 percent next year. Unemployment has stabilized. So 1984 was less difficult than 1983, and 1985 should be better than 1984.

Jean Francois-Poncet: But I imagine it will be a long job...

The president: We will not have an easy life in the near future. We know that we must change our lifestyle and, through the national development plan, make structural changes in the economy and society. Our medium-term objectives are to give new dynamism to agriculture; make industry more productive and more competitive through technological innovation; modernize the tertiary sector, especially distribution in working class districts; and increase our capacity for internal savings. These objectives mean that we must redefine our economic and financial policy. It is a considerable challenge, but Mexico has the resources and institutions necessary to succeed.

Jean Francois-Poncet: Mexico, which is exemplary in its desire to cooperate with the IMF and the big American banks, is anxious to maintain its independence and "difference" from the United States at the diplomatic level, especially on the subject of Central America, where the situation, far from stabilizating, has constantly deteriorated. Together with Venezuela, Colombia, and Panama it formed the Contadora Group 18 months ago, a group which, on the subject of the five Central American countries, put forth proposals for breaking the deadlock and avoiding a military escalation.

The President: The Central American crisis can only be solved by negotiation. Violence is not only bad in principle but, far from producing a lasting solution, will merely encourage a climate of confrontation in Central America and, more generally, in Latin America. That is why we strongly support the Contadora Group's effort. The results are not yet completely satisfactory. At least the violence has not become generalized. International opinion, the United Nations, and the EEC, have expressed their sympathy with the Contadora Group, and pressure is now being exerted toward negotiation which,

Finally, although the risk of escalation is still very high, dialogue has been established both within the Contadora Group and between the United States and Nicaragua. According to information I have received, the discussion between the two countries is now turning to the fundamental problems.

Peace is vital to economic and social development in Central America. I recently pointed to the conditions which must be fulfilled if peace is to be restored: respect for the sovereignty of all states; nonintervention; peaceful settlement of disputes; and commitment by all sides to refrain from allowing their territory to be used for acts of destabilization against their neighbors. There must also be an agreement making it possible to reduce the level of arms in the region, which is excessive and increases the risks of war.

Jean Francois-Poncet: Is this not at least partly wishful thinking? What do we see? That the USSR and Cuba are fanning the flames, and that the United States will oppose their machinations by force if necessary.

The President: This is true. But Mexico's policy is one of preventing a situation in which Central America's development is determined by East-West confrontation. The Central American countries must make peace among themselves, precisely to avoid outside interference. This is the vital precondition for ensuring that East-West confrontation cease in this part of the world. If this is achieved, it will be a major precedent for other regions. And, beyond Central America, the question is whether members of the international community, like us, have the ability to reduce tension between the superpowers or whether we are doomed to be merely passive tools in a confrontation we cannot control.

Jean Francois-Poncet: But is the Nicaraguan regime still sufficiently independent of Cuba and the USSR to give the pledges you envisage?

The President: I think so. But Nicaragua is reacting like a hunted country. The external harassment it is suffering is leading it to radicalize its positions.

Jean Francois-Poncet: The EEC foreign ministers and their Contadora Group counterparts are due to meet in San Jose, Costa Rica. Can the EEC play a role in the region?

The President: Europe has traditional links with Latin America and is playing a leading role in the world which we Latin Americans value. It attaches importance to international detente and is therefore interested in a peaceful solution to the Central American conflict. As a U.S. ally, it can exert influence on the latter and persuade it to seek a negotiated peace. In addition, through its economic aid it can provide a useful counter to the polarization we are witnessing in the region. Europe is a fundamental factor in the world political balance.

Jean Francois-Poncet: What is the state of Mexico's relations with the United States? Relations between the two countries have always been close but difficult. Do you expect new tensions in the future?

The President: Mexico has always faced the challenge of living alongside the world's largest power while maintaining its identity, independence, and dignity. The disparity in wealth and power is enormous, and there are real cultural and historical differences. But Mexico has taken up this challenge, as experience shows. It has not been and never will be easy. But we must accept things as they are and maintain cordial relations with the United States without necessarily being in agreement with them on everything. We have disagreements, and sometimes conflicts, but on both sides we have learned to talk to each other frankly and to respect each other. People frequently tend to exaggerate difficulties. The atmoshere of U.S.-Mexican relations is one of good-neighborliness. It is up to us to draw the maximum benefit from them, while being firm, cordial, and dignified.

Jean Francois-Poncet: Your predecessors took a leading role in North-South dialogue. You keep a much lower profile. Why? Does the financial crisis impose constraints on you? Or do you assess the priorities and means to be used differently?

The President: Mexico essentially shows solidarity with the Third World now as before. We attend the nonaligned countries' meetings as observers and are at present chairing the Group of 77. But my government intends to show maturity, a spirit of responsibility, and pragmatism. I personally think that the days of impassioned speeches and pompous professions of faith are over. It is easy to have spectacular resolutions adopted by a majority of the United Nations or the Third World. But the Third World deserves better: It deserves realistic dialogue, patient negotiations, and consideration of reciprocal interests. Some people will think that in adopting this new style Mexican foreign policy is backing down. They are mistaken. Quite the reverse; we intend to take far-reaching and effective action.

DE LA MADRID RECEIVES NICARAGUA'S ORTEGA

FL011530 Mexico City NOTIMEX in Spanish 2106 GMT 29 Sep 84

[Text] Mexico City, 29 Sep (NOTIMEX) -- Commander Daniel Ortega, coordinator of the Junta of the Nicaraguan Government, today reiterated to President Miguel de la Madrid his government's willingness to seek peace and overcome tensions in Central America. The Nicaraguan leader arrived in Mexico today to enlarge upon the declarations of the Managua government in which it pledged unconditional support for the Contadora Group's peace proposal.

President De la Madrid expressed his agreement with Commander Ortega on the need to find peaceful solutions to the Central American conflict, as Mexico has done, by using the Contadora Group as the basis for the principles of its foreign policy.

DE LA MADRID MEETS YUGOSLAVIA'S MEDENICA

FL011840 Mexico City NOTIMEX in Spanish 2110 GMT 29 Sep 84

[Text] Mexico City, 29 Sep (NOTIMEX) -- President Miguel de la Madrid today held talks with Spasoje Medenica, president of Yugoslavia's Committee for Social Planning and Development. During the meeting, they discussed topics of bilateral interest, noting the similarities of their two countries' situations.

Spasoje Medenica, a member of Yugoslavia's Council of Ministers, referred to the advances made by Mexico in its struggle for overcoming the economic crisis. He said President De la Madrid's policies are yielding positive results in reordering the national economy.

The Mexican president conveyed greetings of the people and government to the Yugoslav nation.

SILVA HERZOG MEETS WITH PRC FINANCE MINISTER

FL020112 Mexico City NOTIMEX in Spanish 2317 GMT 1 Oct 84

[Text] Mexico City, 1 Oct (NOTIMEX) -- Chinese Finance Minister Wang Bingqian met here today with Mexican Finance Secretary Jesus Silva Herzog. Wang is on an official visit, reciprocating Herzon's visit to China in July 1981.

Wang, who arrived here Sunday, will meet tomorrow with President Miguel de la Madrid and government officials from the finance sector.

During recent IMF and World Bank meetings, Mexico and China agreed to begin substantial changes favoring developing countries. They also fought to increase funding for development countries to reduce the deficits of industrialized countries, and to increase participation by nonindustrialized countries in the basic decisions of the international financial system.

PRC AMBASSADOR DISCUSSES TRADE, CONTADORA

FL011644 Mexico City NOTIMEX in Spanish 0134 GMT 29 Sep 84

[Text] Chinese Ambassador to Mexico Li Chao said here today that China is respectful of the sovereignty of each nation and therefore considers that the work of its diplomats is to strengthen friendly economic and political relations. At a press conference called to commemorate the 35th anniversary of the founding of the socialist state on 1 October, Li Chao said the Chinese People's Republic practices a foreign policy that favors peaceful coexistence and the autonomy of each nation, and calls upon its ambassadors to work within this context.

The ambassador said that despite the decrease in Mexican-Chinese trade after 1982, it is now on the increase. He said the trade balance is now favorable to Mexico, as is the case of Mexican bilateral trade with other nations, and pointed out that among other reasons, this is due to the restrictions placed on imports during the 1982 crisis.

When he spoke of China's position regarding the Central American conflict, Li Chao stressed his country's support of all nations that seek independence or act to achieve social and economic justice. China is opposed to spheres of influence and seeks to protect the interests of the Third World, to which China belongs, Li Chao said. The ambassador spoke of his country's support of the Contadora Group's peace efforts in Central America.

He also pointed out that China is having problems modernizing, essentially because of the lack of capital. He explained that China is open to foreign investment and financing under selective criteria that protect Chinese sovereignty. He stressed the fact that China is interested in foreign investments that improve Chinese technology. He also said the Chinese Government knows that the introduction of foreign technology brings in bourgeois ideologies but the education of the Chinese people will not allow their penetration.

The ambassador also referred to the Chinese-British negotiations on Hong Kong, saying that the Chinese Government favors the conservation of the present (capitalistic) system and wants the Hong Kong community to promulgate its own laws and maintain its economic development.

BULGARIAN DEPUTY FOREIGN MINISTER ARRIVES

FL011845 Mexico City NOTIMEX in Spanish 1930 GMT 29 Sep 84

[Text] 29 Sep (NOTIMEX) -- Bulgaria's Deputy Foreign Minister Maria Zaharieva arrived in Mexico City today to deliver several Bulgarian engravings to the capital of the State of Puebla. When questioned by reporters at the airport, the official declined to make any statements related to the bilateral relations between the two countries. However, it was learned that during her 5-day stay in Mexico she will hold talks with several Mexican officials on topics of mutual interest. The deputy minister will end her visit to Mexico on 4 October.

PRESIDENT ILLUECA SPEAKS AT REVERSION CEREMONY

PA020040 Panama City Domestic Service in Spanish 1427 GMT 1 Oct 84

[President Dr Jorge Illueca, speech at official event held to revert the School of the Americas and other facilities to Panama; at Fort Gulick -- live]

[Text] Civilian, military, and church authorities, Messrs ambassadors, Messrs members of the expanded cabinet, Mr Vice President, countrymen; citizens in general: None of my activities as a ruler can surpass on a scale of value, the patriotism, the moral quality, and the spiritual importance of this event. As a member of a generation dedicated to fighting for our national independence and sovereignty, there cannot be, for me, a more moving and dignifying action than to raise the national flag on this territory, which has been restored to national control.

Without my ever imagining such a singular distinction, destiny had reserved for me, as president of the Panamanian nation, the chance to receive in its name, as well as in the names of all of you and of all Panamanians throughout the Republic, the lands and facilities that today are reverting to our homeland's physical, cultural, and political patrimony. Today the U.S. flag gives up, without violence, the place of honor to the Panamanian flag. This is a luminous date on the calendar of decolonization programmed in the 1977 treaties, which is being carried out within a framework of harmonious relations between our two countries.

On 1 October 1979, we rescued nearly two-thirds of the territory seized from us in 1903. On that same date, we recovered for our jurisdiction the terminal canal ports and the trans-isthmian railroad.

On 1 April 1982, we obtained the peaceful restitution of the administration of justice, the police service, and the jail system, that is, that part of the jurisdictional exercise that had remained in foreign hands as a leftover of the colonial enclave.

Today, 362 hectares are reverting to Panama along with 32 buildings and infrastructure and communications work, where Fort Gulick and the military training school facility known as the School of the Americas operated until yesterday. A total of 680 homes, France Field, and the Marine storehouse at Balboa Port will also revert to Panama. The power to grant the right to use the military postal services, commissaries, and military exchanges to U.S. Panama Canal Commission employees and their dependents will also cease.

In another 5 years, on 1 January 1990, the post of canal administrator will fall to a Panamanian, and 10 years later, on 31 December 1999, foreign troops will be evacuated, and the homeland will be emancipated [applause] from all vestiges of foreign domination, in full exercise of its sovereignty, safeguarded by the patriotism of our defense forces, and we will be the owners, without interference, of our destiny as a free and sovereign people.

The reversion we celebrate today constitutes a considerable addition to our country's public property. But even if it were less, no more than a small piece of arid and rugged land, which it is not, its spiritual value would still be unmeasurable. The homeland has no price, because it is a community of spirits, a sacred property comprised of the successive efforts of various generations, and it is a sacrilege to set a price on the smallest portion of its soil in an effort to justify foreign occupation. [applause]

We are not indifferent to the fact that a large number of Panamanians will be deprived of their jobs.

As is established in the Constitution, the state is obliged to guarantee them jobs, so I have ordered that pertinent measures be adopted without delay so they can be provided with jobs as soon as possible with all dignity and with equivalent wages. However, this development elicits in my mind certain reflections that I think I should communicate to my countrymen: No reason or objection should be alleged to diminish the historical significance of the recovery of any parcel of our land, which for 80 long years, and until a few hours ago, was physically and politically segregated from the national territory and under a different flag than the one which, along with our coat of arms and our anthem, symbolize the Panamanian homeland.

Let us reflect on the importance of this event, in which all Panamanians who inhabit our soil are also participants. The Panamanian nation, moved, feels surer of itself and of its future, after confirming today that the process of territorial and jurisdictional recovery stipulated in the 1977 canal treaties will be inexorably fulfilled without postponements or interruptions, until it culminates with the transference of the interoceanic waterway to national control, and with the definitive elimination of the presence of foreign armed forces in our land. Doubts have been dispelled, which sought to undermine the Panamanian people's confidence in the faithful execution of the entire process of decolonization led by Torrijos, which is evidently irreversible.

Panama's claims, which are reflected in the treaty, and are made effective today, not only help strengthen our sovereignty and consolidate the Panamanian nation's territorial integrity, but also heighten respect for it and its importance in the international arena.

The closing of the School of the Americas safeguards our country from groundless accusations about tolerating the use of its territory for the training of contingents destined to intervene in wars and political actions in other countries, which elicit bitter controversies throughout the world. There is at present great sensitivity, which is becoming increasingly widespread, concerning the training of Latin American military forces susceptible to confrontations with other forces in the region. For this reason, Panama was pointed out not as a center for the military training of Latin Americans, but as the site of a huge base used to cause resentment and destabilization in several countries and pose the threat of the use of force as a means to militarily resolve differences and controversies among fraternal regional countries.

We Panamanians feel proud of our tradition as a country open to all ideas, where those persecuted by the dictatorships and tyrannies that have afflicted the nations of Latin America and other continents have always obtained refuge. Here they have enjoyed our fraternal friendship and have coexisted with us, safe from hostile reactions and ill-will over their ideas and actions. Both Juarez and Montalvo [not further identified], banned from their homelands due to either domestic despotisms or the interference of alien powers, set their feet here. This explains why the School of the Americas was never held with affection by the Panamanian people, who are definitely opposed to either eliciting or sponsoring ill-will toward any other Latin American country.

Although already a part of our physical geography, today on behalf of the Panamanian nation, we reincorporate Fort Gulick to the national spiritual map. From eternity, the general of the people stands tall over both the past and the future, at this key hour of our nationality. [applause]

His accomplishments are as firm as his memory is deep in the hearts of all Panamanians.

Omar Torrijos Herrera remains alive, like a guiding cloud which from eternity gathers our claims in order to rain sovereignty over the Panamanian homeland. [applause]

Today we make effective his legacy, by taking 3,620,000 square meters from the Atlantic side of our fifth border. Three million meters which reflect the aphorism that the homeland is loved not because it is big, but because it is ours, and Bolivar's motto [applause] that our first duty is toward the soil that made up our body and soul with its own elements. Three million colonialist stakes are being dismantled today, 3 million meters of dignity, 3 million meters of sovereignty safeguarded by the National Defense Forces, 3 million meters of redeemed homeland.[applause]

Today's event shows that it is essential to implement a national policy based on our history, our cultural roots, our varius forms of worship, and the common vicissitudes of our people. We have gathered here as Panamanians, only as Panamanians, committed as we are, to meditating with our own minds about the solutions to our homeland's fundamental problems. These solutions lie with developments of capital importance for the national destiny: The employment of the constructive experiences accumulated through the Torrijist development model, and the unity of all Panamanians in a pluralistic and participational democracy, closely connected with the formation of a historical awareness among the new generations.

The Panamanian cause grows stronger because we have won the battle for the national conscience. In hazardous times like this, nothing should move us away from the goals set by the new generations of Panamanians: a single territory, a single flag, a single homeland. [applause]

Let us insist on the permanent Panamanization of the state, deriving our inspiration from the very roots of our nationality. The nationality spirit must be nourished with the examples of the aboriginal race, with the Urraca and Quibian, who opposed the conquest by foreign forces. We must turn our eyes back to Justo Arosemena, to our forefathers, to Tomas Herrera, the man who led the creole youth, and fought in Junin, (Matara), and Ayachucho. We must turn our eyes back to Victoriano Lorenzo the guerrilla fighter whose yearnings for social change and justice must still be satisfied. We must turn our eyes back to Belisario Porras, the builder of our nationality. We must continue getting our inspiration from the inexhaustible fountain of the Torrijist ideals, and with Torrijos and continue marching on the side of the peasant and Indian nuclei, the Kunas, the Emberas, and the Guaymies, and the peasants, the men who work the soil, and those in the cities and rural areas who believe in the future of our homeland and are not willing to submit to alien things.[applause]

We must inspire ourselves every day with the singers of the national soul: Amelia Denis de Icaza, Ricardo Miro, and Gaspar Octavio Hernandez, genuine interpreters of the national feelings; we must also continue promoting that new generation of poets, who along with Jose Franco sing to a defended Panama, so we can continue fighting for those ideals to which our families, our mothers, our children, and brothers are entitled.

We also want to remind all those vain and conceited minorities, who think that profit can become the symbol of their national aspirations, that we will never lose or change the course set by Torrijos or those who, with great civic authority, like Mateo Iturralde and Octavio Mendez Pereira, said: I do not sell my homeland, we might eat dignity, but we will be free, upright, honest. [applause]

Together with the men, women, and children from all over the national territory, Bocas del Toro, Colon, Cocle, Chiriqui, Darien, Los Santos, Herrera, Veraguas, and Panama, we shall march united to conquer a better future outlined by Torrijos. From externity, standing firm, he remains vigilant, so we do not lose the way and may honorably tell both our families and our homeland: We are Panamanians, we are Torrijists, but above all, we have a sense of Latin American honor and know the meaning of the terms national integrity and homeland. [applause]

On 1 April I said, and I repeat now: In the garrisons recovered by the nation, the U.S. Stars and Stripes will no longer fly. Panama's tricolor flag will fly there with its white background that characterizes the purest feelings for the martyrs' blood which fertilized the crops of flags and to whom we owe the lush fruits and the freedom they made bloom.

We say: Omar Torrijos, present. [applause] Omar Torrijos, [applause] present. [Applause] Omar Torrijos, [shouts of "present," applause] present.

To the Defence Forces and the Battalion 2000 we say: Many members of that Battalion 2000 will bloom in all latitudes of the Republic. There will be divisions of Panamanian men and women willing to prevent the loss of Torrijos' conquests. The sacred safeguard of the national flag remains in the hands of the defense Forces, their traditions of honor, independence, freedom, sovereignty, and Panamanian fraternity. Thank you very much. [applause]

COMMUNIQUE ISSUED ON REVERSION OF FORT GULICK

PA011359 Panama City LA ESTRELLA LA DE PANAMA in Spanish 1 Oct 84 p A 14

[Foreign Ministry Communique issued in Panama City on 30 Sep 84]

[Text] On the occasion of the fifth anniversary of the implementation of the 1977 Panama Canal treaties and their complementary agreements, His Excellency Jose Maria Cabrera Jovane, acting foreign minister, invited the press to a meeting in the Ricardo J. Alfaro room of the Panamanian Foreign Ministry at 1600 on Sunday, 30 September 1984, to read the following official communique on behalf of the national government presided over by His Excellency Dr Jorge E. Illueca Sibauste regarding the turning over to Panama of lands, installations, and housing, as well as the ending of certain U.S. activities, in keeping with the dispositions made in the 1977 Panama Canal treaties and their complementary agreements.

"The Government of the Republic of Panama declares that in keeping with the dispositons in Annex a, Paragraphs 3(d) (i) and 3(d) (ii), in accordance with paragraphs 3 (a) (i) (cc) and 2 (a) (iii) (ee) of the agreement for the Executiion of Article iv of the Panama Canal treaties, Fort Gulick, including the installations used for the School of the Americas, an area estimated at 362 hectares, as well as France Field and the storage area used by the U.S. Marines rescue services in the Balboa Port (Paragraph 12 of the Agreement act of the Agreement for the Execution of Article iv), will fully revert to the Republic of Panama on 1 October 1984, with the exception, according to the treaties, of the family housing, the community services areas, and the ammunition depot installations at Fort Gulick.

"U.S. authority to offer courses to Latin American military personnel at the U.S. Army School of the Americas expires on 1 October 1984, inaccordancé with the stipulations of Paragraph 4 of the agreement on certain U.S. activites in the Republic of Panama.

"Providing U.S. Panama Canal Commission employees and their dependents with military postal, commissary, and store services is also eliminated as established in Article XIII, Paragraph 3 of the Agreement to Execute Article III of the Panama Canal treaties.

"Finally, according to the talks carried out by U.S. and Panamanian representatives and in accordance with Article XIII of the 1977 Panama Canal treaties, the United States has decided to turn over 680 housing units and more than 30 nonresidential buildings located in the canal area.

"The Panamanian Foreign Relations Ministry informs the citizenry that, as of 1 October 1984, the above-mentioned lands, installations, and housing will revert to Panama, and the U.S. Panama Canal Commission's employees right to use the military postal, commissary, and store services will end, according to the 1977 Panama Canal treaties and their complementary agreements. Consequently, the Panamanian state resumes full control over these properties. Panama will receive important economic benefits as a result of the Panama Canal Commission employees' loss of privileges.

"The Panamanian Foreign Ministry informs the public that in an atmosphere of harmony and national rejoicing the Republic of Panama will take possession tomórrow, 1 October, of the reverted properties, and reiterates its unalterable goal of faithfully complying with the word and spirit of the Torrijos-Carter treaties.

"The Foreign Ministry calls on the Panamanian people, without exceptions, to patriotically participate in the ceremonies scheduled by the national government to commemorate the fifth anniversary ofthe implementation of the Torrijos-Carter treaties and to reaffirm with their presence that the treaties constitute the most precious legacy left to us by OMAR TORRIJOS HERRERRA [capitalized words published in boldface] and invites all of the people to renew the historical commitment of completing the process of perfecting our independence and national sovereignty over all of our territory and natural resources."

Jose M. Cabrera Jovane, acting miniter of foreign relations

Panama, 30 September 1984

COSTA RICA

GOVERNMENT DENOUNCES SANDINIST ATTACK ON LA CRUZ

PA020250 San Jose Radio Reloj in Spanish 0100 GMT 2 Oct 84

[Text] The Costa Rican Government today charged that Sandinist soldiers fired several mortars on the town of La Cruz, in Costa Rican territory, last 27 September, wounding two Costa Rican youths. Following this incident, the Nicaraguan Foreign Ministry insisted on the need for Costa Rican authorities to make greater efforts to patrol and control Costa Rican territory.

COUNCIL APPROVES PROTEST NOTE TO NICARAGUA

PA020422 San Jose Radio Reloj in Spanish 0146 GMT 2 Oct 84

[Text] The Security Council approved this afternoon at a meeting that just ended, to send through the Costa Rican Foreign Ministry a protest note to the Nicaraguan Government.

The report submitted by those in charge of investigating the border incident which took place 300 meters from the Nicaraguan border, says that a howitzer shell or part of a shell, fell on this side of the border, about 300 meters from the border, in a village called La Trocha. The shell fell some 300 meters inside Costa Rican territory and there is no reason why this should have happened. The howitzer could have been fired from a Nicaraguan military post located 5 km on the Nicaraguan side of the border. A girl and a boy who were bathing in a river were wounded by shrapnel.

The report does not give the reason why the shell fell on the Costa Rican side of the border. This is being investigated. However, probably the howitzer was fired to repel an attack by an anti-Sandinist group and the shell fell in Costa Rican territory.

This happened on 28 September and on the next day, 29 September, there was a clash between anti-Sandinist and Sandinist forces. The report says that the Sandinists fired into Costa Rican territory and this is the reason for the Costa Rican Government's protest.

The matter is being thoroughly investigated because there is no reason for firing the howitzer into Costa Rican territory, especially when our men are simply patrolling the border. It was decided to place a patrol at Colinas 353, some 300 meters from the Nicaraguan border, to observe movements on this side of the border of Costa Rica. This patrol should report any movement in order to take necessary precautions.

Colinas 353 is in Costa Rican territory 300 meters from the border, Vice President Armando Arauz Aguilar and Security Council spokesman said. The Security Council meeting lasted more than 2 hours and has just ended.

This is the report on what happened on 28 and 29 September along the border on the Costa Rican side, which has been considered a violation of our territory by the Nicaraguan garrison. The reason for this attack, as we said before, still has not been established. The village of La Trocha only has five huts. It is not a military post, it has no strategic importance, it is simply a village with no more than five huts, and there is no reason for this attack. The members of the Security Council are Foreign Minister Carlos Jose Gutierrez, Justice Minister Hugo Alfonso Munoz, Public Security Minister Benjamin Piza, Colonel Oscar Vidal and Vice President Armando Arauz, who presided over the meeting to decide on the protest note to be sent immediately to the Nicaraguan Government.

PVP CALLS ON LEFT TO ESTABLISH ELECTORAL FRONT

PA010209 San Jose LA NACION in Spanish 22 Sep 84 p 8 A

[Text] The People's Vanguard Party (PVP) has called on the other leftist parties in the country to establish an electoral front "to open a true popular front against the oligarchic parties." This is part of the general resolution contained in the agreements reached by the PVP's 15th party congress.

The PVP congress held last weekend, which according to the organizers was attended by 216 PVP members in addition to invited guests from other groups, based its call on the fact that "it is necessary that all the problems that now affect the popular forces be dealt a solid response in the next election campaign." It added that "we have the real possibility of increasing our parliamentary representation considerably and converting the election campaign into a means to open the prospects for popular power."

The PVP Central Committee reelected Humberto Vargas Carbonell as its general secretary, Oscar Madrigal as deputy general secretary, and Deputy Arnoldo Ferreto Segura as president of the PVP. The congress also elected a Central Committee composed of 50 members, including principals and alternates, in addition to the Cadres Control and Policy and the Accounts Review Committees.

The PVP congress said that it managed to defeat the "divisive and opportunistic positions that had gained a foothold in its structures." It was referring to the division that occurred at the beginning of this year, which resulted in the explusion of the leaders Manuel and Eduardo Mora Valverde and a group of members.

In this respect the resolution proclaimed that "confrontation with reformism and opportunism has acquired a new character with the appearance of the Moras group, which now has the name of Costa Rican People's Party [Partido del Pueblo Costarricense, PPC]."

The Mora Valverde brothers were accused of serving "the worst interests opposed to the popular movement" and considered them "pseudorevolutionaries."

It added that "this was demonstrated by their overt betrayal of the banana workers during the strike on the country's south Pacific coast and their efforts against the National Association of Government Employees (ANEP)."

NEW RADIO STATION TO OPERATE IN NORTH

PA302320 San Jose LA REPUBLICA in Spanish 25 Sep 84 p 2

[Text] A 50,000-watt radio station, to be installed in the northern sector of the country by the Association of Information and Culture, will begin operation in December and will transmit purely national rural programs.

The new station is not "anti-anything," although it is part of the national project to recover sovereignty over our radio waves along the Nicaraguan border area, as that region is being swamped by "one-sided" radio transmissions from Nicaragua.

This announcement was made by the president of the Association of Information and Culture, Lilia de Berrocal, who together with other directors of the group held a press conference yesterday in the offices of the National Chamber of Communications Media.

Mrs Berrocal said that the association she heads is nonprofitmaking, and the station will not carry commercials, but it will sell time to VOA for the transmission of programs, for which its directors recently signed a contract, and which was described as a "secret pact" by THE WASHINGTON POST.

As president of the association, Mrs Berrocal sent a letter to that U.S. newspaper, stating: "The agreement between the U.S. Government and the Association of Information and Culture was signed in the presence of correspondents of the principal media of the country and President Monge, so it can hardly be called secret." The information published by that paper, and by the SEMANARIO UNIVERSIDAD, of Costa Rica, do not represent the beliefs of the majority of Costa Ricans, but rather of a sector supporting national leftists and "progressive" groups who, in turn, have not protested Nicaraguan radio penetration in Guanacaste and other regions, including the Central Valley, said Guido Fernandez, a member of the association.

He explained that the transmission of VOA programs is nothing new in the country, because other commercial stations, such as Radio Reloj, Radio Monumental, and Radio Columbia, have transmitted such programs on various occasions.

"Those of us who have responded to President Monge's appeal to help recover sovereignty over the nation's radiowaves insist on doing everything in the open because we do not intend to hide anything," Mrs Berrocal commented. Besides, the citizens of the northern region have the right to listen to programs with a Costa Rican flavor, not with foreign accents of Cubans, East Germans, and so forth, such as those heard on the Sandinist stations, which being very powerful, practically "bathe" the Costa Rican territory, Guido Fernandez said.

EL SALVADOR

DUARTE TO VISIT TEGUCIGALPA, MEET WITH SUAZO

PA010215 San Salvador Radio Cadena YSKL in Spanish 0025 GMT 1 Oct 84

[Text] Salvadoran President Jose Napoleon Duarte will travel to Tegucigalpa tomorrow to visit Honduran President Roberto Suazo Cordova. Salvadoran Foreign Ministry sources have reported that Duarte will ask for support so that the Contadora Group cannot be surprised by the Nicaraguan Government's political moves.

Other government sources have told this radio station that Duarte's main concern is that he fears that the Sandinist government is hyprocritically playing around with the signing of the document. Just as he said in Guatemala, Duarte is visiting Tegucigalpa so that the Contadora Document can have four amendments added to it, particularly to ensure genuine control on the departure of military advisers from Central America and the cessation of the flow of arms to Nicaragua. This flow of arms enjoys the unconditional support of the Cuban, Libyan, and Soviet Governments, the Government Palace source reported.

Asked by this radio station, the source said: There are sectors of the press that are not satisfied with Duarte's activities and government, but it is necessary to take into consideration the concern of a president who tries to save his country from a holocaust and, particularly, to prevent bloodshed in his homeland. President Duarte will travel to Teguicgalpa and will meet with President Suazo and high-ranking Honduran military officers.

DUARTE DISCUSSES INTEGRITY OF CONTADORA DOCUMENT

PA020401 Tegucigalpa Radio America in Spanish 2137 GMT 1 Oct 84

[President Jose Napoleon Duarte, interviewed by Radio America reporter on 1 October; place not given -- recorded]

[Text] [Reporter] [Question indistinct]

[Duarte] I think it is important for Hondurans and Salvadorans to establish their borderlines. The fact is that we both have our own borderlines. [Words indistinct] our relations have been at times the target of misinterpretations. I think that now we are reaching political levels in this respect. I am going to make a trip to Honduras to hold a meeting with President Roberto Suazo Cordova, with whom I have told that [words indistinct] the spirit with which the Salvadoran delegation, the Salvadoran defense minister, worked on the problem was based on what I said during talks to reach a fair solution. What is important is that one must understand the other party's view and also try to make the other party understand one's views. If we can reach this point we can find points on which we agree. This was the spirit with which we have worked toward the peace agreement and that is the spirit we want to maintain.

[Reporter] What about the problem of the refugees?

[Duarte] The Salvadoran Government will welcome all the Salvadorans that wish to return. The Honduran proposal refers to this precisely. Anyone who wishes to return to their country will be repatriated. Someone has mistakenly said that to be repatriated [words indistinct] is contrary to international treaties [words indistinct] many people are returning to the country. [sentence indistinct] According to statistics approximately 100,000 persons have returned to the country in the past 3 years.

[Reporter] Engineer Duarte, the Contadora Group Document has already been presented to the Central American countries. The foreign ministers of those nations are now meeting. What analysis have you done regarding the Contadora Group peace document?

[Duarte] I have conscientiously studied the Contadora Group peace document because my personal experience, political as well as professional, obliges me to fulfill my promises no matter what promise that might be. That is why I do not like to make promises that I cannot keep.

I have studied the Contadora Document carefully to determine whether I can properly abide by it or not. To determine whether I have the right to bring my country to a situation that could appear to lead to peace or that might not turn out to be a good way to reach peace.

I think that the Contadora Document in general terms is a well-intentioned instrument. No nation can impose itself on another. We were talking of human rights awhile ago, that also applies to nations. No nation can come and say: Well, now every Central American nation must sign here because we the powerful countries will force you to sign. Nobody can do that.

Our opinion is that Contadora's well-intentioned effort is beneficial to peace in Central America. The Contadora Document should be the logical reply within the framework of the 21 points that we accept. The essential point is that we accept those 21 points, that you all know about. We will now wait and see how they are carried out.

The Contadora Document is supposed to set forth a mechanism to enforce compliance. And who is not interested in [word indistinct] the product?

The problem is that the document demands that all countries involved have a democratic process. We know that at this time there is no democratic process in Nicaragua, because in a democracy the people decide their own future. Certainly, no minority group or force can impose their will on the people.

That means that an electoral process involves the implicit risk of winning or losing power. An electoral process that does not contain this implicit (?factor) is not democratic. Ortega's statements were clear, he said: Gentlemen, we will hold elections but not following the bourgeois style. We will hold elections that do not place FSLN power at play. [sentence indistinct]

Therefore, you can see how a point of the document is already being broken even before the signing of the document. That is the reason why Nicaragua wants to hold elections before the 4th of [?December] and would not allow any change whatsoever nor would it allow the participation of any party, because it needs to carry the elections out before signing any treaty in order to work around the democratic process requirement.

As you see that is one of the aspects. The other aspect is the arms race problem. An arms race has started in all of Central America and now all area countries fear each other unnecessarily. Hence, from the viewpoint of peace, it is positive to establish a (?control). However, notice that Nicaragua acknowledges the following:

Look, sir, we are dealing with two blocs: a socialist bloc represented by Nicaragua and the others who are bourgeois, oligarchs, imperialists, and all you can imagine [passage indistinct] the arms balance must be related to the blocs. That means that Nicaragua must have as many weapons as the other Central American countries have put together. This is dangerous because that country could fight us one by one and eliminate us. This cannot be. There is no balance requirement to discourage this.

As for the security aspect, there is nothing ensuring that compliance of the document would bring a solution. [passage indistinct] The other aspect is the presence of foreigners. We are willing to give away all kinds of foreign aid. [Words indistinct] the danger, one of you told me that we could sign a bilateral aid agreement involving advisers, but if we interpret the Contadora Document to the last word, nobody can have any kind of advisers, no foreign advisers in the country. That is what it says; it is absurd.

In addition, that reasoning would imply that we would have to ask our 55 advisers to leave. In contrast, Nicaragua has 8,000 Cubans, Soviets, and who knows how many others and is talking about a 10-year plan. That cannot be. I say [word indistinct]. The same day that our 55 advisers leave El Salvador, those 8,000 must also leave; those in Honduras, Costa Rica, Panama, Colombia, Venezuela, and Mexico. Yes, all of them.

I propose four things: simultaneous action, regionality, multilateral action, and integrity. Those four concepts would allow one thing: control, supervision. However, note that the Contadora Document mentions no word on punishment to those who do not comply with it. Therefore, one can sign whatever one wishes and take on a moral commitment in good faith but one can break the document [words indistinct].

Therefore, there is no way to [word indistinct]. What concerns us is that the one who seeks peace, the one who seeks a solution must have the assurance that it will work. Otherwise, then we would be signing a blank paper and a blank paper does not solve anything.

As I said, I am very concerned. When I make a commitment, I fulfill it. I am willing to comply to the last letter of the (?final) paper given that it is good. Hence, I am concerned with the fact that it does not give me any guarantees, because I could sign a document that would be binding, but that could turn out not to give me any security guarantees. This is taking place in a country like ours that is facing a violent confrontation. There is no doubt that we are facing violence generated internally by social factors and also generated externally by Nicaragua, Cuba, the USSR, and Libya, and who knows how many more [words indistinct].

The Nicaraguans said that they would sign unconditionally but they also want the United States to sign an agreement with them. And what about the USSR and Cuba? Are they not also going to sign another agreement not to export revolution? These are the things that must be analyzed.

[Reporter] If you analyze the Contadora Document, and think that it does not give guarantees for peace in the region, would you sign it?

[Duarte] No. What we have to do now is to make sure all those guarantees are included in the document. Our work is to make positive (?systems). If we want it to work, we would not simply go home, but quite the contrary, we are going to make sure that corrections are made, because I do want peace in Central America. I do want the five countries to sign a treaty; I want us to agree on ways to achieve peace.

Therefore, my work, the work of our foreign minister, our country's work is to find solutions to those problems. That is why I have been traveling to all those countries. I have been to the Contadora Group countries, Guatemala, and Honduras. We have maintained relations with all the Central American foreign ministers now meeting in Costa Rica. We have been seeking the mechanism, a formula to bring peace. Doing otherwise would not be positive.

TENORIO DENIES 15 OCT SIGNING OF CONTADORA DOCUMENT

PA020022 San Salvador Radio Cadena YSU in Spanish 1800 GMT 1 Oct 84

[Text] Foreign Minister Jorge Eduardo Tenorio said at a press conference held today at the Foreign Ministry, that the Contadora plan will not be signed on 15 October, as was announced. Foreign Minister Tenorio talked at the press conference about important aspects of the meeting that the Central American foreign ministers held with their counterparts of the EEC, Spain, Portugal and the Contadora Group countries, in San Jose, Costa Rica, on 28 and 29 September.

[Begin Tenorio recording] Costa Rican President Luis Alberto Monge opened the meeting at 1100 on Friday, 28 September, in the Cariari Hotel. The plenary sessions began in the afternoon in which the Central American countries had the opportunity to discuss their political and economic situation. This meeting was originally conceived by FRG Foreign Minister Hans-Dietrich Genscher and later on supported by President Monge during his trip to Europe and also by Salvadoran President Jose Napoleon Duarte, who went to Europe in July.

Economic and political issues of the Central American countries were discussed at the meeting which was considered a success. It was the first of its kind in which 21 countries were present, 12 from Europe. It was perhaps the most adequate forum to discuss the Salvadoran situation. We took advantage of the occasion to present to the foreign ministers of the EEC, Spain and Portugal the real facts and to discuss the Contadora peace plan, which has received much publicity throughout the world. The difficult economic situation of Central America and the existing problems of the region were also discussed.

We clearly established that El Salvador supports the Contadora Group efforts, but that we have some reservations, which we presented on 7 September in Panama City and which we will present again before 15 October this year. I want to tell the Salvadoran people that we are going to have another foreign ministers meeting, we have not yet decided on the date, to discuss our reservations and other views. If by then we have a consensus, then we will sign the Contadora plan.

I also want to make it clear that in San Jose, Costa Rica, we discussed the political and economic situation of El Salvador, but we made no agreement to sign the Contadora plan on 15 October. This I want the Salvadoran people to know. We are not going to sign a document we have not carefully analyzed and which does not fully conform to our Constitution and laws. We are going to be as careful as we can in defending the country's interests. Therefore, any report saying that we are going to sign the Contadora Group's plan, is not true. [end recording]

COFFEE PRODUCERS CRITICIZE AMBASSADOR PICKERING

PA300031 San Salvador EL MUNDO in Spanish 28 Sep 84 p 3

[Text] "The Association of Salvadoran Coffee Producers disapproves of U.S. Ambassador Thomas R. Pickering's statements in favor of socialism, which is an offense to the dignity of the Salvadoran people," the Association of Salvadoran Coffee Producers says in a communique. "During a recent meeting of the National Council of Salvadoran Businessmen, Conaes, which is an arm of the Christian Democratic Party, PDC, Ambassador Pickering deceivingly said that the agrarian reform has been a success. Honest Salvadroans know that this is not true, especially as regards the sugar and coffee industry.

"Agrarian reform has brought poverty to Salvadorans, to the point that friendly countries, especially the United States, have had to divert large sums of taxpayers' money to help our poverty-ridden country. We are surprised that Ambassador Pickering, who is supposed to be a well-informed person, is making such false statements about agrarian reform, now that the catastrophic results of 3 years of agrarian reform is a fact and after the Agency for International Development, one of the main sponsors of agrarian reform, issued its negative report on agrarian reform.

"Pickering also said that the multimillion dollar aid that the U.S. Government is giving the government it helped install in El Salvador, is being used to develop democracy; this we doubt very much. Democracy is not socialism or statism.

"It is illogical and contradictory that Ambassador Pickering, who supposedly is the Reagan administration representative, an administration which is definitely of the right, should criticize the Salvadoran right, knowing that everyone, including the PDC government, is struggling against the local and international left, which is attacking us.

"The attitude assumed by Pickering, who is the follower of former Ambassadors White and Hinton, has a logical explantion.

Pickering is a diplomat known for his long-standing leftist inclination and whose proclivities earned him diplomatic tours as far as the African continent, where during the Carter administration he served the interests of the Soviet socialists. This time, his comrades have him in Central America, where he is preparing the ground, in case Walter Mondale, the Democratic Party presidential candidate and former vice president during the ill-fated Carter administration, wins the elections. "The tactics used in Africa are similar to the ones used here: to take advantage of democracy and set up socialism. That is how Zimbabwe and Nicaragua fell into the hands of the Soviets.

"It is important to know that Ambassador Pickering also worked for the Carter administration, the same that gave away Iran and Afghanistan, in drafting costly studies, which contain from an ethical viewpoint, unacceptable measures to try to alleviate poverty in the underdeveloped countries. How can we expect to get ahead with such an ambassador? "His presence in El Salvador, which is causing us serious problems, was the result of a deal between the right and the left in the United States.

"When Pickering's name was submitted to the Senate subcommittee for approval, he was rejected because of his leftist record. But the right needed to place one of its men in a key position and that is why it went along with Pickering's appointment. It was an exchange for Langhorne Motley, who replaced leftist Thomas Enders. "Unfortunately, Motley must depend on what Pickering reports on El Salvador. The Salvadorans who feel offended by his pro-socialist attitude will not tolerate his support of socialism. We are going to denounce to Motley, his leftists inclinations, and if necessary to President Reagan also, who apparently does not seem to know what is going on in El Salvador.

"It is time that Thomas R. Pickering, a blot on the Reagan administration, starts acting as a real representative of a rightist government or else stop meddling in matters that only concern Salvadorans."

COPREFA ISSUES COMMUNIQUES ON ACTIVITIES

Denies Death Squad Reports

PA290006 San Salvador Radio Cadena YSU in Spanish 2230 GMT 27 Sep 84

[Armed Forces Press Committee, Coprefa communique issued on 27 September in San Salvador]

[Text] In view of the fact that confusing and false reports have been circulating the past few days on bloody incidents that have been attributed to the death squads and that have led to speculations on these groups' criminal activities and to a state of unrest and insecurity, Coprefa states:

1. To keep accusing the death squads of crimes which still have not been fully investigated is irresponsible and stands in the way of the Armed Forces' firm decision to fight those terrorist groups.

2. The report stating that the bodies of several peasants were found yesterday on the highway that links the cities of Santa Ana and Sonsonate is also false.

3. It categorically denies the version released by a clandestine source and diseminated by some news media that military units turned a village in Cabanas Department into a clandestine grave.

Once again Coprefa deplores that fact that some news media are reporting these rumors without first verifying them.

Two Terrorists Killed in Clash

PA290007 San Salvador Radio Cadena YSU in Spanish 1800 GMT 28 Sep 84

[Armed Forces Press Committee, Coprefa communique issued on 28 September in San Salvador]

[Text] Two terrorists were killed in San Vicente. Two extremists [words indistinct] ran into a terrorist column near Los Laureles Canton, San Vicente municipality. An FAL rifle and ammunition were seized after the clash.

Troops of the 3d Infantry Brigade clashed with extremists in Llano El Angel Canton, Ciudad Barrios municipality, San Miguel Department, in which an undisclosed number of terrorists were killed and wounded. One soldier was wounded in this action. Members of the National Guard clashed with extremists near the creek, Las Animas, in El Caulote Canton, Suchitoto municipality, Cuscatlan Department. No casualties were reported.

Chalatenango Operation

PA020153 San Salvador Radio Cadena YSU in Spanish 1800 GMT 1 Oct 84

[Armed Forces Press committee, Coprefa, communique -- date and place not given]

[Text] Operation in Chalatenango: At least five extremists were killed and an undisclosed number were wounded during the past few hours in Chalatenango, Department, in an operation carried out by the Salvadoran Army in that department.

Four terrorists were killed in a clash with units of the Atlacatl Battalion in the Canton and Village of El Zapotal, Las Vueltas municipality. Another member of the FMLN was killed in El Volcancillo, La Laguna municipality.

Members of the Cobra Battalion of the 4th Infantry Brigade, destroyed a terrorist camp in the village Sicahuite, Las Vueltas municipality. The extremists fled and the number of casualties they sustained has not been determined.

Meanwhile, during the same action, members of the Atlacatl Battalion rescued 33 peasants from the Peoples' Liberation Forces, FPL, in San Jose Las Flores municipality. The peasants, mostly children, were taken to the 4th Infantry Brigade Headquarters and will be kept there until they are handed over to a humanitarian institution.

ARMED FORCES CONTINUE OPERATION IN CHALATENANGO

PA011636 San Salvador Radio Cadena YSKL in Spanish 0025 GMT 1 Oct 84

[Text] For the third consecutive day, more than 2,000 troops, including special units trained by the United States in antiguerrilla warfare, continued advancing in Chalatenango Department, especially in the areas of Las Vueltas, Ojos de Agua, El Carrizal, and San Jose Las Flores. Reports from military sources indicate that, with reconnaissance flights and infantry units, these areas have been cleared of leftist elements. In the last few hours it has been reported that the shelling of rebel positions has caused at least 17 casualties within the ranks of the FMLN leftists.

As part of the counterinsurgency operations being carried out by Army units in the northern Department of Chalatenango, Army officers today presented to national and foreign journalists 39 civilians who belonged to a group that accompanied the leftist groups of the FMLN.

The reports indicate that Army units found them north of La Laguna after they were detected by Salvadoran Air Force planes. The officers said that this is a demonstration of the Armed Forces' professionalism in detecting the individuals who collaborate with subversive guerrillas. Medical attention is being given to the 39 civilians who accompanied the People's Liberation Forces [FPL], one of the FMLN groups. They include children and adults with serious infections who are receiving medical attention and food from relief organizations under the supervision of the Armed Forces, the officers in Chalatenango reported.

FMLN CLAIMS ARMY DESTROYED HOUSES, CROPS

PA281334 San Salvador Radio Cadena YSU in Spanish 1200 GMT 27 Sep 84

[Text] A member of the FMLN called this station to report that 29 houses and several manzanas of crops in the departments of Cabanas and Cuscatlan had been destroyed by the Army. He also said that members of the civil defense and Treasury Police are committing all sorts of abuses against the population and extorting money from factory workers and forcing them to participate in watch duties, which should be carried out by the security forces. The same sources said that the people have been forced to work in construction projects such as a Treasury Police building which will be used as a prision and recruiting office. Regarding the destruction of the 29 houses and the fields of corn, rice, beans, and cassava, the FMLN blamed the Army, which carried out operations in the Cantons of La Criba, Culebrilla, Los Llanitos and Azacoalpa from 19 to 24 September. The FMLN said that crops were destroyed when helicopters landed on the fields.

GUERRILLAS CLAIM SUPERIORITY OVER ARMY

PA300020 Panama City ACAN in Spanish 1626 GMT 29 Sep 84

[Text] San Jose, 29 Sep (ACAN-EFE) -- The rebels have responded adequately to U.S. military technology and they also have the initiative and superiority in the Salvadoran war, guerrilla sources assured ACAN-EFE in this capital.

According to Commander Ana Guadalupe Martinez, "The guerrillas have the initiative and superiority in El Salvador and the Army is distressed and demoralized, which has forced the United States to increase every day its aid not just with advisers and arms, but with espionage services that the Pentagon maintains at its Honduran base in Palmerola."

The rebels' situation is confirmed by the "successful ambushes, the destruction of economic objectives, and the clashes that are taking place in large sectors of the country," Ana Guadalupe Martinez said.

The fact that the Salvadoran Armed Forces received an additional $70 million in aid from the United States "proves that the Salvadoran Army is deteriorating and that it would not last long if it were not for the U.S. advisers," the guerrilla leader said.

Meanwhile, Ruben Zamora, a leader of the FMLN-FDR alliance, announced that his organization was supporting the Contadora peace plan and the foreign ministers' meeting which ends today in San Jose, "because Europe has assumed an independent attitude based on political solutions for Central America, especially when the Reagan administration was planning on domesticating the area."

Zamora also accused the Salvadoran Army of indiscriminately bombing the civilian population.

"None of these killers are being brought to trial and the Duarte regime is going in the same direction as Pinochet, even in the economic aspect," Zamora said.

Duarte recently denied bombing civilians. We said that the Army is combing the entire territory searching for rebels, who have sustained heavy losses. Zamora said that "Jose Napoleon Duarte is the most accomplished example of U.S. counterinsurgency puppet."

Ana Guadalupe Martinez said that the FMLN or FDR guerrillas are willing to hold talks with Salvadoran authorities without any preconditions. "Since the FMLN-FDR is accepting the govenment and the Army as they are, without preconditions for talks, then the government and the Army should accept us just as we are," Ana Guadalupe pointed out.

"We have not given up the hope of a truce or a definite cease-fire, if we can reach an agreement with the government, the cease-fire should be observed by both sides," Ana Guadalupe said. Ruben Zamora had his doubts about the Salvadoran Army doing without U.S. military advisers, even if the Salvadoran Government signs the Contadora peace plan. "El Salvador is too important to Reagan's electoral campaign," Zamora pointed out. Ana Guadalupe and Ruben Zamora disclosed that they frequently enter El Salvador clandestinely. "We would be dead in less than 24 hours, if we were caught," Zamora said.

RADIO VENCEREMOS CLAIMS OVER 300 ARMY CASUALTIES

PA300432 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 30 Sep 84

[Text] On 29 September at 0600, guerrilla units of the Rafael Arce Zablah Brigade Sabotaged a power line on the highway from Chapeltique to Ciudad Barrios near El Porvenir Canton. Let us keep deepening the [word indistinct] of the people's war against the dictatorship's terror in the countryside.

Attention, much attention: Our revolution army continues to wear down the puppet Army. During the past month of fighting, during the past month of constant revolutionary actions, the FMLN inclicted on the dictatorship's Army approximately 300 casualties, both dead and wounded.

GUATEMALA

ARMY, SUBVERSIVES CLASH IN SAN MARCOS DEPARTMENT

PA282215 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 28 Sep 84

[Text] General Rodolfo Lobos Zamora, deputy head of state, this afternoon announced the results of two armed clashes between the Army and a group of subversives on 26 September and today [27 September], in San Marcos Department.

[Begin Lobos Zamora recording] On 26 September at about 1730 hour , a patrol searching the San Marcos coast was ambushed and attacked by forces with automatic weapons. As a result two soldiers were wounded, and three others were slightly injured, but were transferred to the military hospital. Just a moment ago I made inquiries about the wounded and they are out of danger. The clashes continued, and we followed the guerrillas and found some blood-stained berets and backpacks that were left behind when they fled; some articles even had names written in them. It seems as if there were several women involved because some of the berets and backpacks bore the names of women.

This morning at about 0830, another clash took place, but with only small factions of the group they call (Luisis Nathan), which is part of the Revolutionary Organization of the People in Arms [ORPA] and which was severely beaten 1 or 1 and 1/2 months ago. This incident was widely reported at the time. [end recording]

NICARAGUA

PROTEST SENT TO COSTA RICA OVER BORDER ATTACK

PA011406 Managua Radio Sandino Network in Spanish 1200 GMT 1 Oct 84

[Text] On Saturday night the counterrevolutionary groups that operate from Costa Rica staged another attack on the Penas Blancas border post on Nicaraguan territory. As a result of the attack, the Nicaraguan Foreign Ministry issued a strong protest note to Costa Rican Foreign Minister Carlos Jose Gutierrez.

The note stated that at 2000 on Saturday, at least fifteen 81-mm mortar rounds fired from the area of El Valle, approximately 2,000 meters inside Costa Rican territory, hit the Penas Blancas post. Nicaragua considers this a provocation from the mercenaries who operate in that country aimed at affecting the results that the meeting of foreign ministers of the EEC, Spain, Portugal, the Contadora Group, and Central America might have for peace in the region. That meeting ended in San Jose on Saturday.

The document signed by acting Nicaraguan Foreign Minister Jose Leon Talavera noted that in messages to the Costa Rican Foreign Ministry Nicaragua warned Costa Rica about the U.S. Central Intelligence Agency's plans against the Nicaraguan border posts.

After stressing that Nicaragua has requested an urgent meeting of the bilateral commission for the supervision and prevention of such incidents, the Nicaraguan Foreign Ministry points out to the Costa Rican foreign minister that such incidents might affect the Costa Rican Government's neutrality policy, the Contadora Group's peace efforts, and the peace and cooperation efforts carried out during the recent meeting in San Jose.

D'ESCOTO QUESTIONED ON U.S. POSITION, POLICY

LD011524 Warsaw PAP in English 1414 GMT 1 Oct 84

[Ellipses as received]

[Text] Managua, Oct 1 -- In an exclusive interview for Polish PAP Press Agency correspondent Ryszard Rymaszewski, Nicaragua's Foreign Minister Miguel D'Escoto Brockman described the visit to Warsaw a few months ago by Nicaraguan Government coordinator Daniel Ortega and his meeting with General Wojciech Jaruzelski as a "historic moment" in the strengthening of bilateral relations, and added that Polish Foreign Minister Stefan Olszowski's recent visit to Managua passed in the same spirit.

"We are satisfied over the progress in relations between our brotherly peoples and governments," he stressed. Minister D'Escoto said further:

"We are at a very important stage of the Latin American search for detente for Central America. This has been reflected in the proposal made by the Contadora Group which is already well known to the world. Latin America is seeking ways to defend its interests in the face of the North American empire. We note a marked progress in this direction...

"The aim of the talks that the Americans hold with us at Manzanillo in Mexico has been to have Nicaragua accept the Contadora initiatives and proposals. Now that we have done so, Washington does not like it anymore."

"Though the presidents of Argentina and Mexico had voiced their recognition for Nicaragua's independent decision, President Reagan did not even mention the Contadora by name in his recent U.N. address and the only country which he attacked by name was Nicaragua."

(More excerpts from the interview:)

Q: This does not augur well...

A: It only exposes the United States' position for what it really is. It also exposes, for those who have not been convinced yet, the hypocrisy of the White House chief.

Q: What stand and initiatives does Nicaragua intend to present at the current session of the U.N. General Assembly?

A: In the U.N., we will take the opportunity to show the world public opinion the fatal consequences of the Reagan policy, which poses the most serious threat to peace and international security.

Q: In the West, mainly in the U.S., Central American conflicts are interpreted as the effect of "confrontation between two political blocs" and Nicaragua is considered to be the "instrument of Cuba and the Soviet Union". What is the Sandinista interpretation?

A: I think we can say that the two attitudes are getting increasingly crystallized in the world. One is taken by those who wish to subordinate other nations to themselves and impose their political will upon them. In this group we can also include those who consent to this subjugation. On the other side we have other countries like, for example, Nicaragua, which reach the conclusion that this is unacceptable and advocate the right for free homeland, even at the cost of life. That is why our motto "Free homeland or death" is what makes us distinct and does not link us to any bloc.

Q: Does the Sandinista government see the present U.S. Government as enemy No 1?

A: I would say so...there is no doubt the present government of Reagan represents the most serious threat not only to Nicaragua but to the whole world, to peace and international security.

Q: Then what would a possible re-election of Ronald Reagan as U.S. President mean for Nicaragua?

A: ...For Nicaragua and the whole world, this would above all mean at least another four years of dread and suffering. It is equally possible that world may be totally annihilated. For us, this means a continuation of our policy of defence of our independence and territorial integrity.

Q: On November 4, on the same day as in the U.S. elections will be also held in Nicaragua. What do they mean to Nicaragua itself and to the region? Will they help alleviate the threat of an internal destabilization of the country and of an aggression from outside?

A: The elections will be what we have long been announcing. The Americans will do their best to present those elections as ones lacking legality. They will be the first free elections in Nicaragua's history and the first with such a widespread participation by voters. This notwithstanding, Reagan's policy will remain unchanged. However, our will is to consolidate revolution, which triggers off panic in the U.S. This is a panic of a power which has physical strength but is weak from the moral point of view.

Q: Nicaragua -- as you have mentioned -- has already paid and continues to pay a very high price for freedom and independence.

A: Yes, this is the price of thousands and thousands of human lives, as well as of being in the state of war for several years now. The nightmare is continuing and will only disappear when the United States changes its policy towards us and respects Nicaragua's right to build a socio-political system corresponding to genuine interests of our nation.

SERGIO RAMIREZ COMMENTS ON DEFENSE, ELECTIONS

PA302357 Managua Radio Sandino in Spanish 1300 GMT 30 Sep 84

[Excerpts] Dr Sergio Ramirez Mercado, government junta member, yesterday stressed that, among the revolutionary government's many efforts for peace, the country's defense is foremost. Ramirez stressed the importance of Nicaragua signing the revised Contadora Document because in this manner the revolution's willingness for definitive peace is enhanced. He also reported that he talked to Commander Daniel Ortega yesterday and that the latter had expressed the benefits of a meeting held with Mexican President Miguel de la Madrid.

Ramirez pointed out yesterday that the revolution's diplomatic peace efforts abroad would be unsuccessful if the defense of the national territory could not be first consolidated.

[Begin Ramirez recording] We must be one step ahead of the Yankees and not let them rest. Important as this is, its only a complement to the efforts for peace. Trips, diplomatic negotiations, and the support we get at international meetings might be successful but, should the enemy be winning over us militarily in isolating villages and advancing toward important cities, all this international effort will be useless.

Now the Yankee government has begun to oppose and dislike the Contadora Document, because we have said that we are willing to sign it and it is to be fulfilled by sending foreign advisers home and by dismantling foreign military bases. Specific deadlines for all this have been set forth in the document. The U.S. Government does not like this in the least. The United States has also said that the important thing is not for Nicaragua to sign the document but to abide by this document. They have also said that the document is incomplete and cannot be signed in its present form. What they are really aiming at is that there should not be any document or treaty that can check their aggression because, if the document is signed by the five Central American countries, a commission formed by members of these nations would go to Honduras and make sure that all counterrevolutionaries have left Honduras and that all support bases have been dismantled. This would be the end of the counterrevolution.

Regarding the elections, the Nicaraguan Democratic Coordinator's Yankee-oriented members have said that these elections should be postponed until sometime between 24 and 27 February. They are not really interested in these elections to be held on this date. What they want is to have us set a new date.

They have realized, however, that our elections are to be held the same day as those in the United States and that in this way this government would be legitimized. Once the elections are held, they will be genuine elections, despite the Yankees' and the Yankee-oriented representatives' denial. They also know that we will have an election legitimized after 4 November through the people's votes.

So, what is their interest? They are interested in delaying the Nicaraguan elections so that, once Reagan is elected in the United States, they can say: Well, these elections are not valid because there are no guarantees for Cruz or the other Yankee-oriented men. They are interested in creating domestic instability after the Reagan election so that war and aggression can continue in the nation. [end recording]

PSC SAYS PRESS OMITTED PART OF CONTADORA DOCUMENT

PA290425 Panama City ACAN in Spanish 0213 GMT 29 Sep 84

[Text] Managua, 28 Sep (ACAN-EFE) -- The opposition Nicaraguan Social Christian Party (PSC) has pointed out "important omissions" in the Sandinist press' publication today of excerpts of the final Contadora Document.

PSC Vice President Erick Ramirez told ACAN-EFE today that the newspaper BARRICADA, the FSLN's official organ, did not publish Points 8 and 9 of the revised Contadora Document.

The Contadora Group, formed by Mexico, Venezuela, Colombia, and Panama, proposed a peace plan to resolve the Central American conflict through negotiations. The political leader pointed out that Point 8 of the document refers to the need to "urgently" promote national reconciliation agreements in societies where there have been "deep divisions." This same point also speaks of the importance of popular participation in authentic democratic processes, with full guarantees the source said.

Ramirez added that Point 9 of the document refers to perfecting the legal norms that offer "a true amnesty" that will allow the full reestablishment of citizens' rights in their country's political, economic, and social life.

Eight days ago, the Sandinist government announced its willingness to sign the final document prepared by the foreign ministers of Colombia, Mexico, Venezuela, and Panama "immediately and without modifications," stressing that the document should be signed by the U.S. Government.

BURKINA FASO'S SANKARA, DELEGATION DEPART

FL011134 Havana Domestic Service in Spanish 1045 GMT 1 Oct 84

[Text] Yesterday our commander in chief, Fidel Castro, took leave of Captain Thomas Sankara, president of the Council of National Revolution of Burkina Faso, at Jose Marti International Airport. At the foot of the ramp at the aircraft that was to take him back to his country, Sankara took leave of Fidel with a hearty hug, the symbol of the friendship that exists between the Burkina Faso and Cuban revolutions and peoples.

During his visit to Cuba, Captain Sankara was decorated with the Order of Jose Marti, held official conversations with our commander in chief, and visited various sites of interest in the cities of Havana and Santiago de Cuba and the Isle of Youth.

ZAMBIAN FOREIGN MINISTER ARRIVES ON VISIT

FL011328 Havana Domestic Service in Spanish 1000 GMT 1 Oct 84

[Text] Zambian Minister of Foreign Affairs Lameck Goma has arrived in the city of Havana, invited by the Cuban Government. Jose Raul Viera and Giraldo Mazola, acting foreign minister and vice foreign minister, respectively, received the African foreign minister and his delegation at the airport. The Zambian delegation includes Walter (Fills), chief assistant to President Kenneth Kaunda.

JOINT SCIENTIFIC COMMISSION WITH MEXICO MEETS

FL011354 Havana Domestic Service in Spanish 1000 GMT 1 Oct 84

[Text] The seventh Cuban-Mexican Joint Commission for Scientific and Technical Cooperation will hold its inaugural meeting today in the Havana Palace of Conventions. The Mexican delegation will be headed by the general director of the National Commission for Science and Technology, Hector (Mayagoitia) Dominguez. The Cuban delegation will be headed by Minister President of the State Committee for Economic Cooperation Hector Rodriguez Llompart.

The Mexican delegation will also participate in the commemorating the anniversary of cooperative relations between the two nations.

GARCIA RECEIVES SRV TRANSPORTATION DELEGATION

FL291912 Havana Television Service in Spanish 1700 GMT 29 Sep 84

[Text] Guillermo Garcia Frias, member of the Politburo and minister of transportation, has received a Vietnamese delegation headed by Truong Thi Nhan, director general of foreign trade transportation in that country. The delegation, which attended the Symposium on Hazardous Cargo Handling and Transportation by Sea, was received at the Transportation Ministry. Talks were held in a cordial and friendly atmosphere on maritime matters of interest to Cuba and the SRV. Participants also exchanged information about maritime transportation.

CARLOS RAFAEL RODRIGUEZ, GDR AMBASSADOR TO SPEAK

FL011450 Havana Domestic Service in Spanish 1000 GMT 1 Oct 84

[Text] Carlos Rafael Rodriguez, Politburo member and vice president of the Councils of State and Ministers, will speak today at the main ceremony commemorating the 35th anniversary of the founding of the German Democratic Republic [GDR]. The ceremony will begin at 6 pm at the party's Nico Lopez national school. His Excellency Heinz Langer, ambassador extraordinary and plenipotentiary of the GDR, will also speak. On 7 October 1949, the first German worker-peasant state was founded, a firm bulwark in the con-

PEDRO LEAL, DELEGATION VISIT CZECHOSLOVAKIA

LD011414 Prague Domestic Service in Czech 1130 GMT 1 Oct 84

[Text] Today Josef Haman, candidate member of the Presidium and secretary of the CPCZ Central Committee, received the delegation of the Central Committee of the Communist Party of Cuba headed by Pedro Leal Ross, candidate member of the Central Committee and department chief, at the end of its study visit to Czechoslovakia.

The Cuban guests have been here learning about our experience of party work in ensuring the fulfillment of the tasks of the 16th CPCZ Congress in railway, road, water, and air transport and in communications.

In a comradely talk, they discussed the implementation of methods and forms of party work in these sectors. They also discussed opportunities for further developing cooperation between Czechoslovakia and the Republic of Cuba in the sphere of transport and communications.

CABRIZAS VISITS YUGOSLAVIA, DISCUSSES TRADE

LD011420 Belgrade TANJUG Domestic Service in Serbo-Croatian 1240 GMT 1 Oct 84

[Text] Belgrade, 1 Oct (TANJUG) -- Milenko Bojanic, member of the Federal Executive Council and federal secretary for foreign trade, had talks in Belgrade today with Ricardo Cabrizas, minister of foreign trade of Cuba, who is paying an official visit to our country. The talks dealt with the issues of commodity exchange and overall economic cooperation between the two countries.

It was stated that very dynamic and direct contacts between the two countries' businessmen are in progress and that various business arrangements are being concluded that will further diversify economic cooperation between the two countries and contribute to an increase in the volume of commodity exchange. The Cuban minister will visit a number of organizations of associated labor in Bosnia-Hercegovina, Croatia, and Slovenia.

COSTA RICAN DEPUTY INTERVIEWED ON VOA PRESENCE

PA301836 Havana International Service in Spanish 0000 GMT 29 Sep 84

[Costa Rican Deputy Alvaro Montero Mejia, secretary general of the Costa Rican Socialist Party, interview with Pedro Martinez Pirez, Havana Radio special correspondent in San Jose, Costa Rica; date not given -- recorded]

[Text] [Montera Mejia] For anyone not living in Costa Rica, it is very difficult to get an idea, a measure of the degree of intervention by the U.S. Government in our country's social, economic, and political life. I think that in the history of Latin America, where U.S. intervention has been so frequent and so brutal, other forms of intervention have not been recorded in sufficient detail. As is now the case in Costa Rica, this type of intervention is not reflected in an active military presence, although efforts are being made in this direction, but in the practical appropriation of an entire country's ideological spectrum on behalf of an interventionist project by the United States.

As you will know, Costa Rica is a key element in the U.S. project for intervention in Nicaragua. No other Latin American country can provide the United States with a more suitable physical location for its war effort against Nicaragua, not only in order to launch from here its sabotage actions, and other activities, but in order to develop its tactics for direct intervention in Nicaragua. Thus, Costa Rica is an indispensable base for the United States.

However, since the United States knows that it would not be easy to take over the Costa Rican territory, as it has done in Honduras, it has become intent on seizing the entire informative spectrum, the entire spectrum for intellectual and political dissemination, by taking over the press, radio, and television services. By incurring huge expenses, the U.S. Government is currently directing Costa Rica's entire journalistic activities through three major media: the newspaper LA NACION, with the largest circulation in Costa Rica, an old newspaper at the service of foreign interests; the newscasts of the Radio Monumental Network, which is also part of the information media controlled by the newspaper LA NACION; and the Channel 7 newscasts, which broadcast exclusively pro-Reagan news. So they are practically invading our entire country, all the air waves, television and radio, with information against the Nicaraguan revolution. This is part of the overall campaign of disinformation against Nicaragua.

Now they have sought to go one step further, which in our view is simply atrocious. For some time now Costa Rica, or rather the government, has been demanding so-called radiophonic sovereignty, alleging that Nicaraguans have invaded our country's radio space. That is false. If you travel through the country, you will find that the broadcasts of Nicaraguan radio and television stations penetrate, at the most, the northern border area, which is very sparsely populated. Meanwhile, here in Costa Rica a radio station that is exclusively at the service of the counterrevolution is operating. It is Radio Impacto, which is financed and controlled by counterrevolutionary elements. Now, alleging that Nicaragua's soundwaves are invading Costa Rica, through a private association they are planning to set up a very powerful 50-kw radio station, which would function in the name of a Costa Rican association for the dissemination of culture, etc. This private association is comprised of journalists of the three media mentioned above. They have signed a contract, which we have denounced at a news conference, under which they would sell 60 percent of their program time to the VOA. Aside from this being unheard of, this is one of the most tragic developments in our country's history, in which a private Costa Rican association lends its airwaves so that a foreign government can develop its campaign of aggression against Nicaragua.

[Martinez Pirez] I would like to hear your view on what the San Jose summit meeting might mean for Central America.

[Montero Mejia] We have much cause for optimism about this summit. The peoples of Central America, not to mention Latin America in its entirety, are currently the victims of one of the gravest economic situations in all of history. The foreign debt that weighs us down is mostly the result of the financial control exerted by the big international banks and the IMF, all of which are controlled by the economic and financial policies of the United States. Europe's presence might lead to new types of aid, cooperation, and relations; more open and more ready to consider our people's developmental needs rather than the hegemonic interests of the big U.S. companies. This might at least help confront the brutal U.S. policy of economic aggression through plans like the Caribbean Basin Initiative, which is just another form of neocolonialism; through the pressures exerted by the IMF; or through the direct impositions of the U.S. Government.

We think this is positive; that it opens the way to a rapprochement with the European countries and can show our peoples that the world is very big and that cooperation can come from anywhere, so long as there are terms of national dignity, mutual respect, and mutual cooperation; in short all those principles that it has been so hard to impose in the world, but on which the Cuban revolution itself has so often and so clearly stated its position: the peoples' right to seek their own path, to accept the aid of any other people so long as this aid is not conditioned and respects both the dignity and the sovereignty of the peoples.

There is no reason for us to feel apprehensive. On the contrary, this is a path toward discussion, our peoples' move toward a larger space in today's world. We expect the results to be positive.

'OUR AMERICA' NOTES TRANSFER OF SCHOOL OF AMERICAS

PA011447 Havana International Service in Spanish 0000 GMT 30 Sep 84

["Our America" commentary]

[Text] According to the Torrijos-Carter treaties, the School of the Americas, an institution that operated under the orders of the U.S. Pentagon and that has been labeled the dictators' incubator due to the training in repressive methods it has imparted to armed forces officers from almost all of the countries of our America, will close on 30 September.

The school, which has been operated by the U.S. Army for 38 years, has trained thousands of Latin American officers. It was initially called the Latin American Training Center; later, its facilities were expanded to include Fort Gulick in the former Panama Canal Zone and other areas in the canal, and its name was changed to the School of the Americas.

The last graduation ceremony, for approximately 100 cadets in the Honduran and Salvadoran Armed Forces who completed their training courses at the School of the Americas, took place on Friday, 21 September. A spokesman for the U.S. Southern Command said that the school was definitely closing in order to begin the process of dismantling the school, which should be completed by 30 September. However, the closing and dismantling of the School of the Americas does not mean the end of such institutions, which have served to train the dictatorial military regimes of our America in the most abominable criminal and repressive methods. On the contrary, the Pentagon was already prepared for the closing of the School of the Americas on the established date and already had plans to dismantle and transfer it to another country in the region. Toward this end, a military base established by U.S. experts has been operating for months in Puerto Castilla, Honduras, where the Pentagon is trying to consolidate the installation of a regional military training center.

U.S. Ambassador to Honduras John Dimitri Negroponte recently announced that Ronald Reagan's government had approved a loan of approximately $20 million for the permanent installation of a regional military training center in Puerto Castilla, where 150 U.S. Green Berets have been sent to train 3,500 Salvadoran and 1,500 Honduran soldiers.

Evidently, this is a long-term interventionist project that the U.S. Government and the Pentagon have been gradually developing to make Honduras into a large military base in Central America. Over the past months, the activities of the U.S. Southern Command headquarters in Panama and U.S. military plans in Honduras have been closely interrelated. Proof of this is Paul Gorman's frequent visits to Honduras and his talks with Ambassador John Dmitri Negroponte.

This rapid U.S. militarization of Honduras and the training of Honduran and Salvadoran soldiers clearly have an interventionist purpose and coincide with the Pentagon's plans to invade Nicaragua by using the counterrevolutionary bands operating in Honduras in the first stage with the consent of Honduras authorities.

In the past few weeks, several reports have circulated about the transfer of U.S. military equipment and materiel from the Pentagon's installations in Panama to the recently created facilities in Honduras.

Although the United States is dismantling its military installations in the former Panama Canal Zone, it has already transformed Honduras into a gigantic military base and the site of large-scale military maneuvers, including the construction of four strategic airports.

COMMENTARY CRITICIZES U.S. POSITION ON CONTADORA

PA010358 Havana International Service in Spanish 2310 GMT 28 Sep 84

["Our America" commentary]

[Text] The establishment of peace in Central America has continued to be the chief concern of Latin America's honest peoples and governments. Nevertheless, one of the main characters in this conflict, the United States, never goes beyond making ambiguous declarations regarding its alleged pacification efforts in the region.

For almost 5 years, Washington has been substantially increasing its military presence in the area and has rearmed the Honduran and Salvadoran Armies. At the same time, the White House accuses Nicaragua of maintaining an intransigent stance regarding dialogue and of increasing its arsenal. What a hypocritical stance! This is to say, for the U.S. leaders, that Nicaragua's legitimate right to defend its sovereignty is a danger to Central American stability, while the U.S. warlike policy in the area poses no threat but, quite the contrary, it helps to guarantee peace. Such is Washington's incredible reasoning on Central American affairs.

This demagoguery in U.S. official policy has taken on a new dimension during the past few weeks. U.S. President Ronald Reagan has restrained the tone of his statements and has even pledged to make a conscientious effort for peace in Central America. But it's clear for all to see that Reagan's sudden change has much to do with the November presidential elections in the United States and his reelection plans.

The United States has done nothing so far to maintain this Reagan-announced conciliatory stance. Regarding Nicaragua's specific case, Washington has continued to arm the counterrevolutionary groups and encircle this country militarily. The Sandinist revolution, however, could not be more patient and understanding in order to prevent the aggravation of the regional crisis. The Nicaraguan Government has worked in earnest and industriously with the Contadora Group to find a peaceful solution for Central America.

These days, the Sandinist authorities have expressed their willingness to sign the revised Contadora Document for Peace and Cooperation in Central America. Regarding this, government junta member Sergio Ramirez has stressed in Managua that U.S. officials are disconcerted at the Sandinist authorities' willingeness to sign this document without any amendment whatsoever.

In statements to the press, Ramirez referred to the contradictory opinions of U.S. Department of State spokesmen and indicated that it is necessary to wait and see what stance the White House will finally assume.

The Nicaraguan leader recalled that the United States has always said it supports the Contadora efforts and hopes for an agreement leading to peace in Central America. Ramirez pointed out: This Contadora agreement has now materialized and the U.S. Government will have to demonstrate whether it really supports the efforts for peace in Central Americ

According to some observers, Washington's position regarding this has to be extremely careful since the document in question is supported by most of the countries involved in the Central American conflict and the other nations that followed the development of negotiations closely.

In an effort to get greater international support for the revised Contadora Document for Peace and Cooperation in Central America, the group requested a meeting of the UN Security Council to consider the document's 21 points, as reported by the Mexican, Colombian, Panamanian, and Venezuelan foreign ministers to UN Secretary General Javier Perez de Cuellar. The foreign ministers asked him to disseminate the document as an official UN document.

The dissemination of this Document among all UN member-countries, as well as the discussion of it in the Security Council will strengthen the international support for the Contadora Group's peace efforts and will force the U.S. Government to clearly state its position.

GRANMA-84 MILITARY EXERCISE CALLED SUCCESSFUL

FL012016 Havana Domestic Service in Spanish 1826 GMT 1 Oct 84

[Text] The Granma-84 exercise has come to a successful conclusion in that province after 3 days. The exercise was part of efforts throughout the nation to prepare the people to defend the fatherland.

During the exercise, there were practical demonstrations of wartime operations by the mass organizations and the production and defense brigades. At the same time, procedures dealing with meeting places for evacuees and information centers were tested, as were agitation and propaganda mechanisms, education work and sanitation activities.

Summarizing the Granma-84 exercise, the party second secretary in Granma congratulated participants for completing their organization and development objectives.

DEFENSE ZONE DEMONSTRATION HELD IN HABANA VIEJA

FL011204 Havana Domestic Service in Spanish 1045 GMT 1 Oct 84

[Excerpt] In Habana Vieja municipality, a demonstration of the working of a defense zone in time of war has been held. Julio Camacho Aguilera, Politburo member and first party secretary of the capital, and Division Generals Senen Casas Regueiro and Sixto Batista Santana, both alternate members of the Politburo, were three of the leaders that attended the exercise, During the demonstration, 35 exercises and maneuvers were carried out by the general population, civil defense, Territorial Troops Militia [MTT], and other institutions.

RAINFORD URGES BILATERAL COOPERATION TO AID CMCF

FL281130 Bridgetown CANA in English 2127 GMT 27 Sept 84

[Text] Bridgetown, Barbados, Sept 27, CANA -- Caribbean Community (Caricom) Secretary-General Roderick Rainford says member countries resorting to bilateral arrangements is one way of keeping intra-regional trade going until the collapsed Caricom Multilateral Clearing Facility (CMCF) is put back into operation. Welcoming such an initiative involving Guyana and Trinidad and Tobago, Rainford said this approach could also offer Barbados some possibility of recovering some of the 65 million dollars (U.S.) owed to it when the regional credit mechanism reached its 100 million dollars (U.S.) credit limit and collapsed over a year ago. "We see a resort to bilateral arrangements as a substitute to maintain a certain amount of momentum in intra-regional commercial transactions in the absence of the multilateral system which is always the ideal system to aim for," he said in an interview on the state-owned Radio Barbados.

The CMCF, which allowed member countries to trade on a pay-later basis, collapsed largely under the weight of financially strapped Guyana's huge indebtedness. It contributed in part to a regional trade crisis and Caricom governments have been closely looking at how to get the facility going again -- the latest meeting being that of finance ministers in Washington earlier this week. Rainford said no definite date had been set for putting the CMCF back into operation. Caricom finance ministers, he added, would probably have to meet again in another four months to continue discussions. "...We are not at the stage at this moment when we can say that this facility is going to start again tomorrow or next week or whatever...," he said. Asked about the idea of getting extra-regional funding to reactivate the system, Rainford indicated that the immediate concern was the issue of current payments and a proposal to establish a Carisom payments support fund that would serve as a back up for the credit facility. "...The extra-regional donor support for the establishment of a regional payments support fund is something to be seen in a somewhat longer-term than the immediate short-run situation of getting the clearing functions of the CMCF reestablished to meet problems of current payments," he said. The proposed fund is envisaged to help member countries which in future may face difficulty in making current payments.

JAMAICA

PRIME MINISTER SEAGA REVEALS ASSASSINATION PLOT

FL011255 Bonaire Trans World Radio in English 1130 GMT 1 Oct 84

[Text] Jamaican Prime Minister Edward Seaga says his security forces have uncovered a plot to assassinate him. Mr Seaga says the alleged plot was a reaction against the government's recent decision to levy heavy income taxes on 24 suspected local drug dealers. No arrests have been reported. Jamaica is the second largest source of illegal supplies of marijuana in the United States, and the traffic is estimated to be worth about $1.5 billion.

JLP'S BRUCE GOLDING ELECTED PARTY CHAIRMAN

FL012007 Bridgetown CANA in English 1508 GMT 1 Oct 84

[Text] Kingston, Jamaica, Oct 1, CANA -- Construction Minister Bruce Golding is the new chairman of the ruling Jamaica Labour Party [JLP]. Golding, general secretary for 10 years, was elected yesterday by the party's Central Executive Committee. He replaces Ronald Irvine who resigned in August. A party statement said a general secretary will be elected at a later date.

OPPOSITION UNIONS WIN TUC LEADERSHIP POSTS

FL012330 Bridgetown CANA in English 2201 GMT 1 Oct 84

[Text] Georgetown, Guyana, Oct. 1, CANA -- For the first time since the ruling People's National Congress (PNC) came to power 20 years ago, unions opposed to or independent of the government appear to have broken the hold of the administration on the Trades Union Congress (TUC), an umbrella body for labour unions here.

In the early hours of this morning, president of the militant Public Service Union (PSU) George Daniels was elected the new head of the TUC at its 31st annual delegates conference, defeating the government-backed nominee, Jean Persico of the 6,000-strong Guyana Teachers Union (GTU) in a straight fight.

It is the first occasion since 1964 that the TUC president is not a government supporter. Among the 10 elected officers of the union, six oppose the Forbes Burnham administration.

Another first was the election to the TUC executive of a representative of the Guyana Agricultural Workers Union (GAWU), of which opposition People's Progressive Party (PPP) leader Dr Cheddi Jagan is honorary president. Jagan expressed his glee by holding the new president aloft.

Komad Chand of GAWU, which represents 23,000 sugar workers, was elected third vice president with Frank Andrews of the pro-government Transport Workers Union (TWU) and Gordon Todd of the Clerical and Commercial Workers Union taking the other two vice presidencies.

The Public Service Union is the bargaining agent for 17,000 public servants and has taken a militant stand against certain government measures, including the Labour Amendment Act under which the state would bargain only with the TUC for all public sector workers and not directly with the recognised unions as done previously.

Daniels, who replaced Samuel Walker, who was not eligible for re-election having served for four years, took the top spot with 115 to 105 votes, mainly because of the withdrawal of four other candidates -- Todd, Albert Boodhoo of GAWU, Selwyn Felix of the Postal and Telecommunications Workers Union (PTWU) and Seelo Baichan of the Union of Agricultural and Allied Workers (UAAWU).

In the election line-up, the nominees of the GTU, TWU the PTWU and the UAAWU are regarded as pro-government, while the others are classified as anti-government or militant trade unions.

PSU general secretary, Norman Northe was elected one of three assistant secretaries -- the others being Frank Facey of the Transport Workers Union and Anson Sancho of the Association of Masters and Mistresses.

Nankishore Gopaul of the National Association of Agricultural, Commercial and Industrial Employees (NAACIE) defeated the incumbent Selywn Felix of the PTWU for the post of treasurer.

The two organising secretaries are James Dastigir of GAWU and Lincoln Lewis of the Guyana Bauxite Supervisors Union.

UNION LEADER DISCUSSES GRENADA, IMF MEASURES

FL28110 Bridgetown CANA in English 2242 GMT 28 Sep 84

[Text] Georgetown, Guyana, Sep 27, CANA -- General secretary of the Guyana Trades Union Congress (TUC) Joseph Pollydore today called on delegates attending the current conference conference of the labour organisation to "record their strong protest over the occupation of Grenada by foreign troops and call for their withdrawal."

In his 29 page report he also said "it would be appropriate for the conference to declare its support for the action taken by the Guyana Government in opposing the invasion and occupation of Grenada."

Pollydore expressed the hope that the December 3 general elections "will be peaceful and that the results would truly reflect the wishes of the people of Grenada."

Forces from the United States and seven Caribbean islands have been stationed on Grenada since last October's military intervention.

Pollydore also dealt with the negotiations between the Guyana Government and the International Monetary Fund (IMF), and recalled that the 1982 annual conference pledged support for the stand taken by the government to resist certain harsh measures proposed by the fund in negotiations for balance of payments support.

Last year, he said, the IMF had outlined a number of conditions including the removal of the subsidy on sugar, and increases in electricity rates, fuel, water rates, and rice, as well as the steep devaluation of the Guyana dollar.

Pollydore also said the IMF had proposed that the bauxite industry should be handed over to foreign agencies with a management contract, and the sugar industry should be handed over to private investors.

He said since the TUC's commitment of support was forwarded to the government "a number of economic measures corresponding closely to those recommended by the IMF have been implemented by the Guyana Government."

Pollydore said these included an increase in sugar, electricity charges, rice, and the Guyana dollar has been devalued (by approximately 20 per cent).

He said the bauxite industry had not been handed over to foreign agencies, but "there has been an input of foreign personnel and or technology in the management and operations of the industry."

Notwithstanding what appears to be a serious compromise in the government's position, it could be said quite commendably that Guyana is among the very few third world countries which have stood up so long against the IMF pressures," he said.

He said while the TUC's support for the governments at and against IMF pressure continues, "the government should at the same time extend itself to the maximum possible limits to provide relief to the workers by way of wages and salaries increases and other economic measures, taking into account the phenominal raise which has taken place in the cost of living."